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Reserve Bank of India

REPORT

ON

CURRENCY AND FINANCE

FOR THE YEAR

1951-52

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Note. (1) Where necessary, each figure has been rounded off to the nearest final digit. For this reason, there may be in some Tables and Statements an apparent slight discrepancy between the sum of the constituent items and the total as shown.

(2) The following symbols have been used throughout the Report :

- ... = Figure is not available.
- = Figure is nil or negligible.

(3) A line drawn across a column between two consecutive figures denotes that the figures above and below the line are not comparable. In each case a footnote is added indicating the nature of the difference.

PART I

**INTERNATIONAL ECONOMIC
DEVELOPMENTS**

GENERAL ECONOMIC DEVELOPMENTS

The strong inflationary pressures, generated by the economic developments after the outbreak of the Korean conflict in June 1950, weakened in several countries from the second quarter of 1951, owing to the stretching-out of the rearmament programme and slackening of stockpiling in the United States of America. As this development coincided with a marked rise in world production which had responded to an earlier pressure of demand, prices of certain internationally-traded commodities experienced a sharp break. Nevertheless in most countries inflation continued to be a major problem during 1951. In some countries high rearmament expenditures, including fresh investment in industries connected with rearmament, led to a large-scale diversion of resources from civilian to military production; in others aggregate incomes and unspent balances were pressing on limited though increasing supplies of domestic and imported goods. In their effort to arrest, and if possible reduce, inflationary pressures, countries placed increased reliance on monetary and credit measures. In the U.S.A. there was relative economic stability from the second quarter of 1951; but this was not entirely an unmixed blessing. The balance of payments surplus of the U.S.A. in 1951, which was larger than in 1950, was accompanied by the re-emergence of payments difficulties in other countries; these were most acute in the sterling area, where they assumed the proportions of a crisis. As a result, however, of the various measures taken in 1951, fears of inflation tended to subside by the first quarter of 1952 and instead, forebodings that events may take a deflationary turn began to be nursed.

The hectic world-wide rise in prices brought about by the Korean conflict slowed down in most countries after the first quarter of the year. In a few of them the trend was gently reversed, but even in these countries prices at the end of 1951 were still higher than at the end of 1950. The break in prices early in the year affected particularly the sterling area through a sharp decline in the prices of tin, rubber and wool, all of which are what might be termed "sterling area commodities".

World trade in the first three quarters of 1951 was nearly 50 per cent higher in value and somewhat higher in volume than in the corresponding period of 1950. In countries outside Europe and the U.S.A., that is, in countries which are mainly suppliers of primary goods and importers of finished products, the total value of exports showed a sharp rise during the first three quarters of 1951 mainly as a result of high prices. During the same period the volume of European imports from overseas increased by about 12 per cent as compared with the corresponding period of 1950. In the U.S.A., on the other hand, imports dropped heavily after the first quarter of 1951. These contrary trends in the trade of Europe and the U.S.A. were chiefly responsible for the deterioration noticed in Europe's payments position after mid-1951, although the volume of Europe's exports to overseas countries was about 25 per cent larger in the first nine months of 1951 than in the corresponding period of the preceding year. Trade between Eastern and Western Europe continued to shrink further.

The 1951 balance of payments surplus of the U.S.A. on current account was more than double its size in the previous year. Foreign aid extended by the U.S.A., although slightly higher than in 1950, was smaller than the export surplus, with the result that during the year the previous year's trend of gold and dollar outflow was reversed. The impact of these developments resulted in the re-emergence of a dollar shortage, particularly in the sterling area. The main reasons for the worsening of the sterling area's external accounts position were the increase in imports and the break in commodity prices mentioned earlier,

other special factors being the loss of Iranian oil and short-term capital movements from the United Kingdom. The intensity of the balance of payments crisis in the sterling area was evidenced by the fact that the area was in deficit not only on dollar account but also with the rest of the world. The U.K. which felt the crisis most severely was faced with an unusually large adverse trade balance during the year 1951 on account of abnormal imports and the failure of exports to keep pace with imports. In Western Europe, balance of payments difficulties arose as a result of persistent surpluses (as in Belgium) and deficits (as in France) of certain countries; on the whole, dollar deficits of European countries tended to be larger than in the previous year. In contrast, Japan and West Germany made notable improvements in their overall and regional balance of payments positions. In view of the additions to its reserves, Canada was able to abolish exchange controls in December 1951.

With a view to controlling inflation, the fiscal and monetary measures initiated after mid-1950, were intensified in several countries. Discount rates were raised by central banks in several countries, including the U.K. and India. In the U.S.A. credit restrictions introduced earlier were continued and greater emphasis was placed on voluntary credit restraint. In some instances monetary controls were combined with fiscal, balance of payments and other measures intended to curb inflation.

World production registered an increase during the year under review. In the U.S.A., industrial production fluctuated within a narrow range through most of 1951, being more or less at the same level in December as a year earlier, and 22 per cent higher than in December 1949, while agricultural production maintained the high level of the past few years. In Europe as a whole, both industrial and agricultural production continued to expand but agriculture lagged behind industry. In Western Europe, according to preliminary estimates, industrial production was, on an average, 10 per cent higher in 1951 than in 1950; the increase in output varied considerably among countries, ranging from 20 per cent in West Germany and 18 per cent in Belgium to about 3 per cent in the U.K. Levels of employment were fairly high in most countries. In the U.S.A. the level of employment in pursuits other than agriculture was higher in 1951 than in 1950. In Europe, the eastern countries had a larger increase in employment than the western. The increase in Poland and Czechoslovakia was 7.8 per cent, and in Hungary and East Germany more than 10 per cent. As regards productivity, the rate of increase was apparently maintained in the U.S.A., but it slowed down in most European countries.

National income statistics, wherever available, show generally a rise in money terms. In the U.S.A. and the U.K. the rise was mainly in the salary and wage groups; in Australia it was due to an increase in such income as well as in the income from unincorporated business, farms, professions, etc.; in Canada to an increase in the income of farm operators and in New Zealand to an increase in personal incomes. The share of personal incomes in the total national income increased considerably in all these countries, but at the same time, personal consumption expenditures also rose. In the U.S.A. corporate profits after tax deductions were much lower in 1951 than in 1950, because of higher tax rates. Nevertheless personal net savings and domestic investment were higher in 1951 than in 1950. In the U.K. the trading profits of companies and corporations expanded by 23 per cent. But net profits were only 6 per cent higher and most of this is assumed to represent a rise in the value of stocks. During the same period domestic investment rose by 19 per cent.

In the sphere of international assistance, a significant development in the U.S.A. during the year was the passage of the Mutual Security Act, under which

all foreign aid programmes of the country were covered by a single piece of legislation. The amount allocated by the U.S. Government under this Act, including unspent foreign aid, was slightly over \$8 billion for the fiscal year July 1951 to June 1952; by far the larger part of it was for military aid. India received an aid of \$50 million under the Indo-U.S. Technical Co-operation Agreement of January 1952, and in addition a long-term loan of \$190 million at 2½ per cent for the purchase of foodgrains in the U.S.A. Lending by the U.S. Export-Import Bank was less than half that of the previous year, while Ireland, Sweden and Portugal ceased to receive Marshall Aid in view of their improved economic conditions. The loans for development granted by the International Bank for Reconstruction and Development in 1951-52 were considerably below those of the previous year. Europe received a great part of these, while Australia, Belgium and the U.K. for colonial economic development. Pakistan was also the recipient of an IBRD loan. The Colombo Plan, a reference to which was made in last year's Report, was revised in March 1952. For India, the revised Plan envisages an additional outlay of about Rs. 500 crores. Under the Plan, India received assistance in 1951-52 from Canada, Australia and New Zealand.

2. PRICE TRENDS

The upward pressure on international prices since the outbreak of the Korean War continued in the first quarter of 1951. During the period June 1950 to March 1951, the general price level rose by 17.9 per cent in the U.S.A., 22.2 per cent in the U.K., 15.7 per cent in Canada and 11.1 per cent in India. In the succeeding three quarters, however, the price level showed a measure of stability in the major countries, with a slightly upward trend as in the U.K. or a somewhat downward bias as in the U.S.A., Canada and India.

The main factors contributing to the improvement in the latter part of the year included the modification of the U.S. stockpiling programme in March 1951 leading to a sharp break in the prices of certain international commodities, the Korean peace move initiated in June 1951 and latterly the stretching-out of the rearmament programmes in the U.S.A. and other countries. The world supply position also improved following larger production of consumer goods as also of some basic commodities, such as coal, crude steel, rubber, petroleum, cotton and wool, while the institution of domestic and international schemes for allocation of scarce materials also helped to alleviate shortages. Further the growing impact of West German and Japanese competition had a restraining effect on prices. Other stabilising factors were a tighter monetary policy, the shift from a sellers' to a buyers' market (e.g. in textiles) and consumer resistance which stemmed either from earlier over-buying or from prevailing high prices.

In a majority of countries, the net rise in prices was less marked than in 1950; these included the U.S.A., the U.K., Canada, India, Japan, Egypt, the Netherlands, Norway and Switzerland. On the other hand, in some countries, which included Australia, France, Germany, Mexico, New Zealand and South Africa, the net rise in prices was higher than in 1950. In general, the price levels at the end of 1951 in most countries were substantially above the pre-Korean War levels.

In the U.S.A., except for an initial rise, the general price level during most of 1951 was relatively stable, despite the growing outlays on rearmament, in contrast with the trends in most other countries. The general index of wholesale prices (base : 1948=100) moved up from 107 in December 1950 to 112 in February

1951, but declined to 109 in July at which level it remained for the rest of the year (*vide Statement 1* and Graph 1). For the year as a whole, the index showed a rise of only 1.9 per cent, as against 16.3 per cent in 1950. The relative price stability in the U.S.A. during 1951 was attributed to (1) introduction of a general price-wage freeze, (2) consumer restraint on spending through a larger volume of savings or higher personal and corporate taxes, (3) tightening of credit restrictions, (4) anti-inflationary effects of materials allocations and (5) reduction in inventory buying by business and inventory liquidation in some lines of civilian goods.

The rise in prices over the year in a number of countries was more marked than in the U.S.A. The more important countries among these included India (5.4 per cent), Canada (6.0 per cent), the U.K. (13.5 per cent), Germany (16.8 per cent), New Zealand (18.4 per cent), South Africa (19.3 per cent), Mexico (19.4 per cent), Australia (21.0 per cent), Japan (25.2 per cent) and France (25.9 per cent). On the other hand, the extent of improvement in the price situation in certain countries was even greater than in the U.S.A. In Italy where prices had risen by 14.9 per cent in 1950, the price level remained virtually unchanged at the end of 1951 as compared with the previous year. In the Philippines and Costa Rica prices fell by 6.1 per cent and 6.9 per cent, respectively.

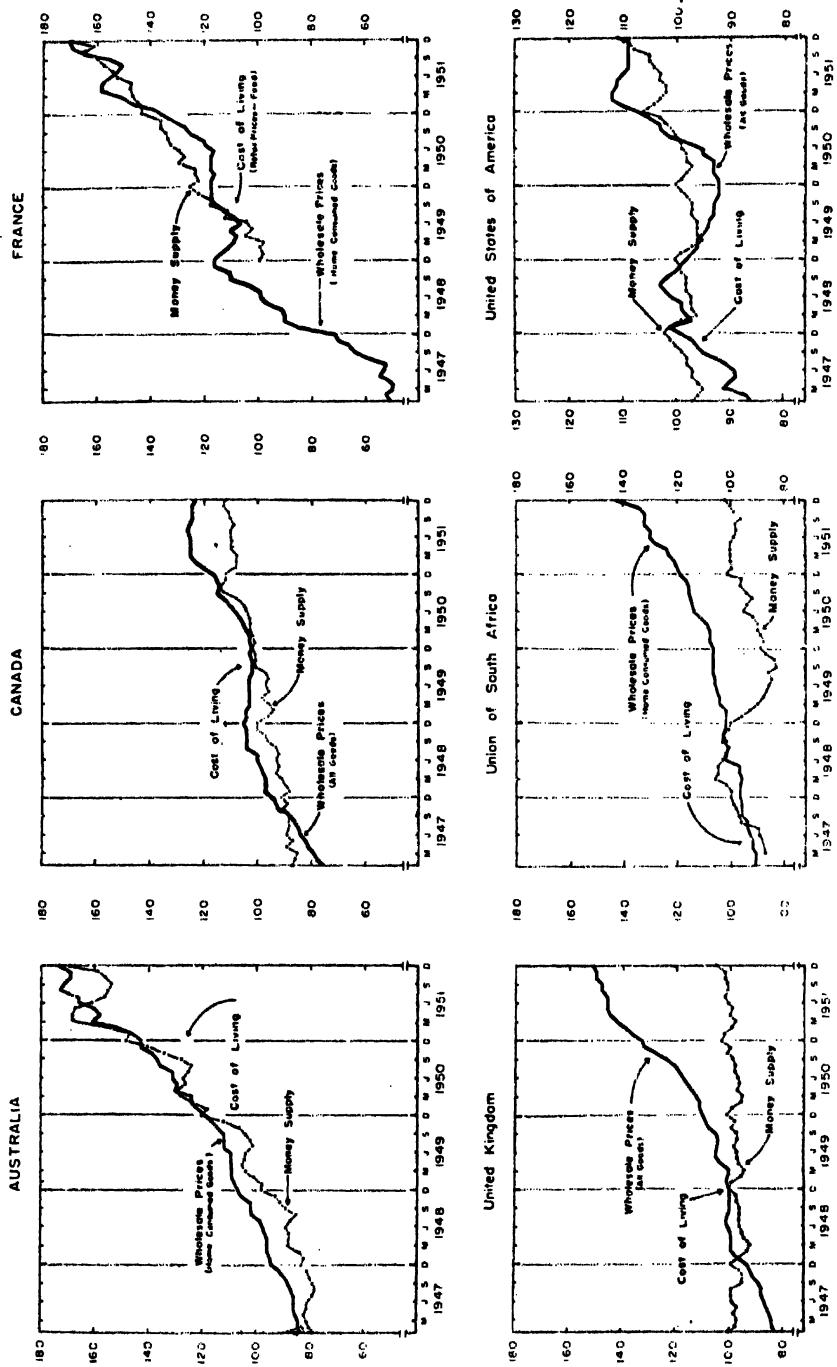
Commodity prices attained their peak levels in the first quarter of 1951; subsequently they declined upto September 1951. Those commodities which had recorded spectacular price increases earlier registered sharp declines. In the last quarter of the year, commodity prices registered minor increases, partly on renewed buying and partly owing to apprehensions of a possible break-down in the Korean truce talks. As regards prices of finished goods, the rise was generally smaller than that in raw material prices.

The post-Korean rise and fall in the prices of international raw materials significantly affected the terms of trade of several countries and through these their internal economies. Both in the U.S.A. and the U.K., the trend in import and export prices, particularly the former, tended to be upward during the year ended June 1951. Export prices rose by 15 per cent in the U.K. and 21 per cent in the U.S.A.; the rise in import prices was more pronounced, being 35 per cent in the U.K. and 39 per cent in the U.S.A. As against this, export prices in Australia rose faster than import prices during the greater part of the period. In the latter half of 1951, import prices both in the U.S.A. and the U.K. tended to decline. As regards export prices, however, while they tended downward in the U.S.A., they continued their uptrend in the U.K.

During the year, the rise in money supply was less marked than the rise in prices in a number of countries. Within the Commonwealth, the increase in money supply in the U.K., South Africa and New Zealand was negligible as compared with the rise in prices; the rise in money supply in these was 1.5 per cent, 1.1 per cent and 3.9 per cent, respectively, as against price increases of 13.5 per cent, 19.3 per cent and 18.4 per cent. The relative stability of money supply in the U.K. was attributable to the budgetary surplus as well as to the substantial balance of payments deficit which emerged during the year. In Australia, money supply rose by 14.4 per cent and prices by 21.0 per cent. Some countries, e.g., France and Mexico, showed the same trend; money supply in these countries rose by 17.8 per cent and 13.6 per cent, respectively, while prices rose by 25.9 per cent and 19.4 per cent. As against these, money supply in the U.S.A. and some South American countries rose faster than prices. In the U.S.A., prices rose by only 1.9 per cent, but money supply rose by 5.9 per cent (*vide Statement 2*), the

GRAPH I

INDICES OF MONEY SUPPLY, WHOLESALE PRICES AND COST OF LIVING IN SELECTED COUNTRIES
 (Base—1948=100)

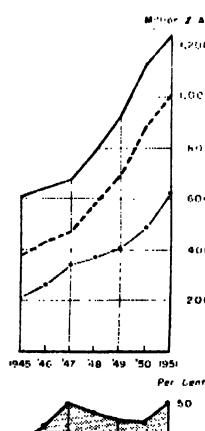


GRAPH 2

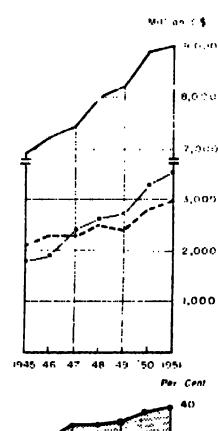
DEPOSITS AND ADVANCES OF COMMERCIAL BANKS

Total Deposits
 Demand Deposits
 Advances and Discounts
 Advances and Discounts as Percentage of Total Deposits

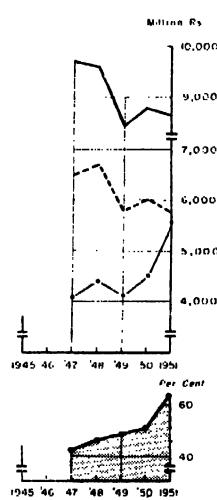
AUSTRALIA



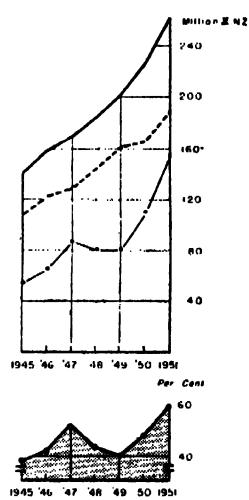
CANADA



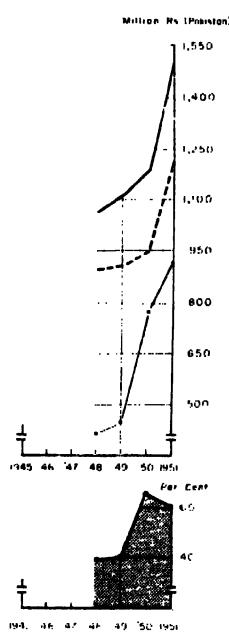
INDIAN UNION



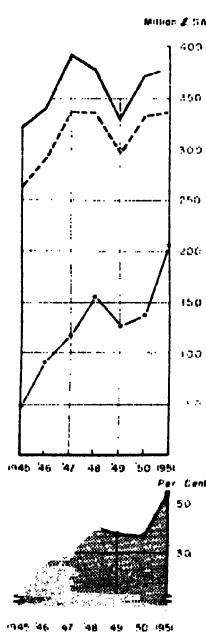
NEW ZEALAND



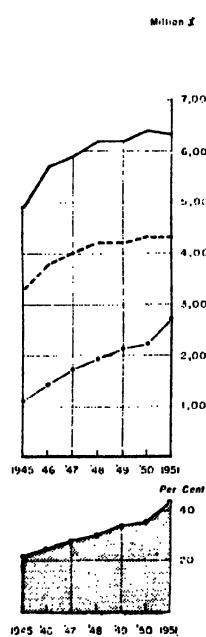
PAKISTAN



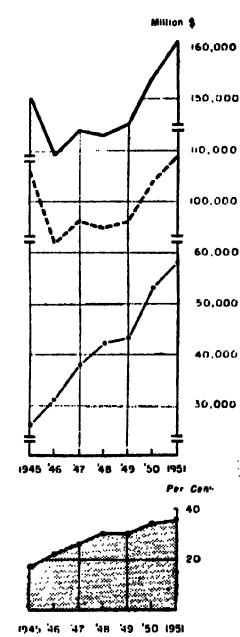
UNION OF SOUTH AFRICA



UNITED KINGDOM



UNITED STATES OF AMERICA



rise in money supply being attributable partly to continued increase in defence outlays and partly to the larger payments surplus during the year.

During 1951, living costs and wages continued to creep upwards in a majority of countries, indicating, in part, the delayed impact of the earlier rapid increases in wholesale prices.

3. MONETARY AND CREDIT POLICIES

A significant development in several countries since the Korean War has been the greater resort to monetary discipline to bring inflation under control; the move towards dearer money which found support in the latter half of 1950 claimed more adherents during 1951. The Bank rate was raised in several countries, notably in the U.K. and India, in the former after a period of nearly 20 years (barring a temporary rise on the eve of World War II) and in the latter for the first time since the inception of the Reserve Bank of India 17 years ago. In some countries, particularly the U.S.A., Canada, West Germany and Sweden, which had raised their Bank rates in the second half of 1950, as well as in Australia and New Zealand whose Bank rates have remained unchanged for over a decade, quantitative and selective credit controls were introduced or strengthened. Belgium and Italy were two important exceptions: the former lowered its Bank rate, while the latter introduced no fresh measures for credit control.

CHANGES IN CENTRAL BANK DISCOUNT RATES

Country	Date of change	Discount Rate		Difference
		Before change	After change	
1. Austria	December 6, 1951	3·50	5·00	+1·50
2. Belgium	July 5, "	3·75	3·50	-0·25
	September 13, "	3·50	3·25	-0·25
3. Finland	December 16, "	7·75	5·75	-2·00
4. France	October 11, "	2·50	3·00	+0·50
	November 8, "	3·00	4·00	+1·00
5. India	November 15, "	3·00	3·50	+0·50
6. Japan	October 1, "	5·11	5·84	+0·73
7. Netherlands	April 17, "	3·00	4·00	+1·00
	January 22, 1952	4·00	3·50	-0·50
8. Turkey	February 26, 1951	4·00	3·00	-1·00
9. United Kingdom	✓ November 8, "	2·00	2·50	+0·50
	March 12, 1952	2·50	4·00	+1·50

Source : International Financial Statistics.

An expansion in credit and a serious deficit in the balance of payments brought about by scarce buying of consumer goods, were responsible for resort to tighter monetary policy in the Netherlands. The discount rate of the Netherlands Bank was raised for the second time since mid-1950 from 3 to 4 per cent in April 1951. Legislation was also introduced (which was passed in January 1952) to provide for a measure of control of credit institutions, including all commercial banks, by empowering the Netherlands Bank to issue directives to these institutions, after consultation with them, in regard to liquidity ratios, credit and investment ceilings and selective control over advances of banks. Subsequently, as inflation was brought under control, the discount rate was lowered to $3\frac{1}{2}$ per cent.

France had to reverse its policy of easier credit which had been in operation in the previous year, when the discount rate had been lowered from 3 to $2\frac{1}{2}$ per cent. The basic cause of French difficulties, which came to a head in September 1951, was the widespread speculation in foreign exchanges and commodities, following a substantial increase in the official price of wheat and a 15 per cent increase in the minimum wage, which resulted in an inflationary spiral of rising wages and prices. The Bank of France restored its discount rate in October to the previous level of 3 per cent and about a month later raised it further to 4 per cent. The National Credit Council announced a new policy of credit control, the essence of which was a stricter enforcement of the rediscount ceilings and of the requirements regarding compulsory holdings of Treasury bills under the regulations in force from 1948. Steps were also taken to make the supervision of the Bank of France more effective in the case of larger credits.

In the U.K. the Bank rate was raised by $\frac{1}{2}$ per cent to $2\frac{1}{2}$ per cent in November 1951 and further to 4 per cent in March 1952. The immediate cause of these changes was the rapid deterioration in the balance of payments position beginning in the second half of 1951 and the consequent fall in gold and dollar reserves. The comparatively small rise of $\frac{1}{2}$ per cent in the Bank rate in November indicated a cautious approach. At this stage the more important step was the abandonment of the practice of automatic supply of cash to the money market by the authorities. The changed procedure gave greater initiative and control to the Bank of England over the market to make the Bank rate effective. With the same object in view, an attempt was made to reduce the liquid resources of banks by the issue of Serial Funding Stocks in exchange for a large amount of Treasury bills held by banks. In consequence, the liquidity ratio was lowered from 39 to 32 per cent. In addition to these measures, banks were also instructed to restrict credit to essential purposes and to projects related to the rearmament programme and exports, and to recall advances, taken in anticipation of long-term issues of capital, which did not conform to the official criteria of essentiality.

Credit inflation in India, as reflected in an unusually high level of bank advances, which had failed to contract adequately even during the slack season of 1951, led the monetary authorities to take vigorous measures to control credit. These are discussed later in the Report.

The Bank rate was raised in Japan in October 1951 from 5.11 to 5.84 per cent in order to discourage expansion in credit which had been financed by excessive borrowing by banks from the Bank of Japan and which had become pronounced in the summer of 1951. Earlier in the year, the Governor of the Bank of Japan had exhorted banks to exercise utmost care in extending loans and to keep down accommodation for non-essential purposes to the minimum.

Towards the end of 1951, the Austrian National Bank increased its discount rate from $3\frac{1}{2}$ to 5 per cent. This measure followed the directives issued to banks, after consultation with them, in April and October, which had provided for qualitative and quantitative restrictions on the expansion of bank credit. Under the April directive, a fixed liquidity ratio of 25 per cent of bank deposits (to be increased to 30 per cent in 1952) was laid down and in October a ceiling placed on the expansion of credit at 70 per cent of the increase in deposits. Regional committees composed of representatives of banks, the Ministry of Finance and the Austrian National Bank were established, for the purpose of enunciating guiding principles for voluntary credit restraint and for watching their observance.

In those countries in which the discount rates had been raised earlier in 1950, supplementary measures were taken to reinforce the discount rate policy. In the U.S.A., there was a joint declaration by the Treasury and the Federal Reserve Board in March 1951 to the effect "that 'full accord' had been reached between the two with respect to debt management and monetary policies for ensuring successful financing of the Government's requirements and at the same time minimising the monetisation of the public debt". Following this, pegs were removed from the Government securities market by the Federal Reserve Board and the Treasury conducted its refinancing operations at adjusted rates. Increases in reserve requirements, higher margins against security loans and tighter restrictions on real estate loans decided upon towards the end of 1950 came into effect during 1951. A programme of voluntary credit restraint was also initiated in March 1951 and a National Voluntary Credit Restraint Committee comprising representatives of commercial banks, investment banks and insurance companies, and later of mutual savings banks and savings and loan associations, was set up under the chairmanship of a member of the Federal Reserve Board. The Committee issued a statement of the guiding principles of the programme and the procedures established for carrying it out. The object of the programme was to evoke the co-operation of lenders to discourage loans for non-essential purposes, whether to individuals or to State and municipal authorities. To secure wide co-operation for the programme, regional committees were set up to assist lenders who might desire to consult them on specific matters.

In February 1951 the Bank of Canada had discussions with the representatives of chartered banks with a view to curbing further expansion in bank credit. As a result, they agreed to discontinue making long-term loans for capital purposes as distinct from loans to finance current operations, and to refrain from purchasing corporate securities with a maturity of one year or more. The minimum margin for loans secured by company shares was fixed at 50 per cent. Margin requirements for loans against instalment finance papers were to be increased and the total of bank credit for this purpose was to be limited to the existing level. The banks also agreed to pursue wherever possible a generally tighter credit policy with respect to loans granted for other purposes. In March, Government increased down-payments and shortened the redemption periods for instalment credit for goods specified in the Consumer Credit Regulations which had come into effect in November 1950.

Supplementing the measures introduced in West Germany in 1950, such as raising the discount rate and reserve requirements, the Bank Deutscher Lander issued a set of guiding principles mainly applicable to credit banks. The total of short-term bank credit extended by a credit bank was not to exceed twenty times its capital and reserves; the total of overdrafts and acceptance credits was not to exceed 70 per cent of its deposits and capital and reserves. Of the acceptance credit extended by any bank, that part relating to foreign trade and financing of crops was not to exceed seven times, and the rest three times, the bank's capital

and reserves. The total liquid reserves of credit banks were fixed at a minimum of 20 per cent of their 'borrowed funds'. Further, commercial banks were required to effect a reduction in their amount of outstanding short-term credit by at least DM 1,000 million (that is, by about 8 per cent) within two or three months. As the results of these measures did not come up to expectations, the Bank tightened them further in June 1951. All banks were required to limit their acceptance credits to five times their capital and reserves. The credit banks were enjoined to limit the total of short-term and medium-term (previously only short-term) credit to eighteen times (previously twenty times) of their capital and reserves. Further, the maximum ratio of their overdrafts and acceptance credits to deposits and capital and reserves was lowered from 70 to 60 per cent. Finally, greater control by the Federal Government over central bank policy was provided by the enactment of a measure in August 1951 under which the Bank was obliged to support the general economic policy of the Federal Government, and the Federal Ministers of Finance and Economic Affairs were given the right of attendance at the meetings of the Central Bank Council.

Despite the growth of industry and trade, Sweden continued to suffer from an inflationary rise in prices and wages in 1951. But no fresh measures were taken in the monetary field after the raising of the discount rate and the imposition of reserve requirements on commercial banks in 1950. In the middle of 1951, after consultations with the Riksbank, the Swedish Banking Association issued a statement urging commercial banks to exercise restraint to a greater degree than hitherto in the granting of credit and to avoid an increase in lending even against a further rise in deposits. It is interesting to note that the objective of the Swedish authorities was to pursue a restrictive monetary policy without departure from the policy of cheap money. Consistently with this view, the emphasis in the stabilisation programme adopted by Government towards the close of the year was on direct physical controls and taxes.

In Australia, in view of the stationary Bank rate, control over bank credit has been of the selective type and the Commonwealth Bank of Australia has laid down the types of credit which banks should restrict (*vide* last year's Report). In 1951 mainly as a result of the rise in the price of Australia's chief article of export, namely, wool and a high level of investment both in the private and public sectors, inflationary pressures continued to increase. Among the measures taken to counter inflation was a further tightening of bank credit by reducing the period for which importers could defer buying sterling exchange to meet their liabilities from three to two months from the date of shipment. The Commonwealth Government also proposed to the States that they should legislate to restrict financing of the sale of less essential types of consumer goods by hire purchase agreements.

In New Zealand, the authorities, who in the first half of 1950 had relaxed credit restrictions, were concerned with the large increase in bank advances which took place during 1951 as a result mainly of heavy imports. The Reserve Bank of New Zealand asked trading banks to curtail advances as much as possible and towards the close of the year requested them to take further measures to restrict credit. If in the judgment of a bank a concern was leaning too much on bank accommodation in relation to its own capital resources, the bank was required to refer to the Reserve Bank any application for advances above £NZ 10,000. The approval of the Reserve Bank was required before granting an increase in any importer's current limit save in exceptional cases when the bank might exercise its discretion for allowing "tiding over" finance. All existing advances, whether large or small, to hire purchase concerns were to be examined by trading banks with a view to securing reductions wherever practicable.

Mention might be made, finally, of two countries in which, in contrast with the prevailing trend, monetary controls were relaxed somewhat or were not extended in 1951. During the year Belgium earned continuous surpluses in its trade with EPU countries, chiefly France and Britain, and had to extend its credit quota to EPU countries. In order to prevent a further accumulation of such credit claims and to divert exports to the home market, the National Bank of Belgium reduced its discount rate from 3½ to 3¼ per cent in July 1951 and again in September to 3½ per cent. Other credit curbs, however, were continued and the National Bank recommended to private bankers that they should exercise restraint in granting credit, particularly in connection with hire purchases.

In Italy, the post-Korean inflationary danger had been largely averted by means of a tight credit policy operating from earlier years. There was also considerably less speculative buying in Italy following the outbreak of war in Korea than in most other countries, while industrial production expanded during the year and prices began to decline slightly from March 1951. Fresh monetary restrictions were, therefore, not felt to be necessary and Government's intention was gradually to relax credit curbs, as and when feasible.

Reference may be made here to the establishment of new central banks in the Belgian Congo and Ruanda Urundi and in French Indo-China. Also, in keeping with the trend in recent years towards greater governmental control over the central bank, the Bank of Issue of Eastern Germany and the Java Bank in Indonesia were nationalised. In Australia, on the other hand, the Commonwealth Bank Board, which was abolished in 1945 by legislation vesting the entire management in the Governor, was reconstituted, although in the event of disagreement between Government and the Board, the former would continue to decide on the policy to be followed and accept full responsibility for it. Similarly the Banking Act of 1947 seeking to nationalise the privately owned banks in Australia was repealed.

Statement 3 gives the money market rates and Statement 4 the main items of liabilities and assets of commercial banks in selected countries. Graph 2 shows the relative positions of deposits and loans of commercial banks in the U.S.A., the U. K. and six other Commonwealth countries.

4. INTEREST RATES AND CAPITAL MARKETS

The extensive use of the interest rate weapon and the change in the open market policy, mentioned above, had their impact on the gilt-edged market, with the result that during the year there was a considerable downward adjustment of Government bond prices and a rise in yields. The effect of anti-inflationary measures was also seen in the prices of industrial shares, which, as compared with the previous year, showed much less buoyancy. The market for new issues continued to be active.

In the U.S.A., following the 'full accord' between the Federal Reserve and the Treasury, which resulted in the withdrawal of Federal Reserve support to Government securities, the capital market became more closely responsive to basic conditions of supply and demand. In the result, there was an upward readjustment of Government bond yields, on an average, by about one-third of one per cent. Yields on long-term Government bonds, for which there seemed to be little demand during the year, rose from 2.39 per cent in December 1950 to 2.70 per cent in December 1951. Short-term bond yields showed wider fluctuations than in the previous year in response to changing money market conditions. In

the context of those developments, in February 1952, the U.S. Government issued, for the first time in postwar years, a marketable security with a maturity beyond 5 years, namely, the 2½ per cent Loan, 1957-59. The whole field of monetary policy and the management of public debt is again being investigated by a Congressional Sub-Committee of the Joint Committee on the Economic Report, headed by Congressman Patman.

In the U.K., after the change in the Bank rate and open market policy, flexibility was introduced in the Treasury bill rate which had been rigidly pegged at about one-half per cent ever since 1945, through the Bank of England's 'Special Buyer'. The rate has now been marked up to about 2.42 per cent. The yields on gilt-edged securities, which had risen almost continuously in the first half of the year and thereafter remained comparatively stable until the end of October, moved up again after the raising of the Bank rate, the tendency being somewhat accelerated by the funding of a part of the floating debt. The rise was more marked in the shorter-dated securities, with the result that the spread between the yields on the longs and shorts narrowed. The 2½ per cent Consols, which had stood at £70 $\frac{3}{4}$ at the end of 1950, fell to £61 $\frac{3}{4}$ at the end of 1951, the yield rising from 3.53 to 4.09 per cent. Over the year 1951, the rise in yields varied from half to two-thirds of one per cent. In terms of prices, the gilt-edged market declined by 12 per cent between November 8 and the end of the year. The subsequent rise in the Bank rate in March led to a fractional decline in prices. The open market policy of the authorities continued to be, by and large, neutral.

The rise in interest rates in the U.K. percolated into other sectors too. The loan rate of the Agricultural Mortgage Corporation, for instance, was raised from 4½ to 4¾ per cent on November 26, 1951; with effect from November 19, 1951, the Public Works Loans Board raised the rate of interest on loans for more than 15 years from 3 to 3½ per cent.

The Government bond market in Canada too witnessed a measure of decline, with this difference that the trend noticed in 1950 for the spread between short and long yields to narrow was reversed in 1951 through a rise and decline, respectively, in the longer-term and short-term yields. In West European and other Commonwealth countries also, interest rates generally witnessed an upward movement. In France the long-term Government bond yield ruled higher at 5.66 per cent in December 1951 as compared with 5.28 per cent a year earlier. In Sweden, gilt-edged yields, which had shown a modest rise after the purchase of Government securities by the Bank of Sweden had been discontinued in the latter half of 1950, remained more or less at those levels during the year under review. Even in countries, which had not introduced any new monetary measures during the year, interest rates were allowed to rise. In Norway, for instance, the long-term yield on Government securities, which had remained at 2½ per cent since 1946, was allowed to move upward, the present yield being a little over 2.80 per cent.

In the Commonwealth, South Africa altered the official peg on Government securities twice towards the close of the year. On November 28, 1951, the long-term gilt-edged rate was adjusted to a yield basis of 3.88 per cent compared with 3.65 per cent previously. In February 1952, the rate was stepped up to 4.13 per cent, and corresponding adjustments were also made in the shorter-dated yields. It has been stated that the rise in yields was rendered necessary in order to align the domestic yields with those on South Africa's overseas loans. Australia and New Zealand which had for long adhered to cheap money, made a departure from this policy during the year under review. In Australia, with the issue of a

new loan in August 1951, the bond rate was raised from 3½ per cent to 3¾ per cent. In New Zealand, the long-term Government bond yields hardened to 3.38 per cent in December 1951, as against 3.04 per cent in December 1950. Switzerland, another country which had adhered to cheap money till recently, established in July 1951 an effective long-term rate of 3 per cent as compared with the previous rate of 2½ per cent.

As regards the behaviour of industrial share market, the upward trend which had become pronounced since the middle of 1950 was generally maintained in the first half of 1951; thereafter the movements in prices were somewhat irregular. Towards the end of the year the market experienced a mild break in prices, owing, among other things, to the decline in inflationary pressures, besides special factors affecting individual countries. In nearly all countries the average index number of prices of industrial shares was higher in 1951; in a majority of cases the year-end indices were also higher than a year ago.

In the U.S.A., the bull cycle which began in the middle of 1949, continued during 1951, though it seemed to have lost some of the vigour displayed in the preceding 18 months and was much more irregular. The International Monetary Fund index (1948=100) of industrial share prices reached a high of 157 in September 1951, as compared with 131 in December 1950. After declining in October-November, the index again moved up to 152 in December. The weakening of bullish sentiment was attributed to a drop in investment and speculative interest in shares partly because of increase in margin requirements (from 50 to 75 per cent effective from January 17, 1951) and partly due to inflationary tendencies in the economy being held in check. An increase in the volume of new issues was also a contributory factor for the dwindling interest in existing stocks.

In the U.K., the first half of the year witnessed a substantial rise in industrial shares as a result of the intensification of the rearmament programme and the boom in commodity prices. In July, however, the threat of compulsory dividend limitation led to a sharp decline, but subsequently there was a smart recovery, the IMF index (1948=100) of industrial shares reaching the year's high of 112 in October. But with the adoption of monetary measures by the new Government, there was a general setback in security prices, though over the year the index number of share prices showed a net rise of 6 points at 99. Trends in share markets in Western Europe and Commonwealth countries were broadly similar (*vide Statement 5 and Graph 3*).

The new issues market for private issues remained generally active in leading countries in response to heavy capital outlays, largely for extending manufacturing capacity for defence production. In the U.S.A., despite large-scale ploughing back of business profits, demands on the capital market remained high, but these were matched by higher personal savings, which in 1951 amounted to \$18 billion (or 8 per cent of disposable income) against less than \$11 billion (or about 5 per cent of disposable income) in 1950. New capital issues offered in 1951 totalled \$7.3 billion, the largest on record. The proportion of debt financing as compared to equity financing continued to be high around 70 per cent. In the U.K. and Australia, non-essential consumption was cut down and the resources which were thus released were diverted into essential channels by tightening capital issues control. In the U.K., the total of new capital issues for 1951 was £252 million, being £61 million below that for 1950, but substantially higher than in most of the post-war years. If, however, the issues placed by nationalised undertakings are excluded from the total, the resulting figure for 1951 at £178.5 million would be the highest in postwar years. The amount of new issues in Australia by public companies during 1951 was higher at £75.7 million, compared with £65.4 million in 1950.

and £46.4 million in 1949. In contrast with this, while the rate of capital formation through self-financing of industry and public investment was large in some countries (for instance, in West Germany), the volume of private funds seeking investment on the capital market remained comparatively small.

5. BUDGETARY AND PUBLIC DEBT POLICIES

The budgets of several countries indicate that their financial operations during 1951-52 are likely to result in substantial revenue surpluses. This achievement, in the face of increased defence outlays, has been rendered possible by the improvement in revenues resulting from the rise in business activity and higher incomes and profits. The surpluses have been particularly marked in the U.K. and Canada, a notable exception being the U.S.A., where a deficit is envisaged, although it is expected to be substantially lower than originally budgeted.

The general expansionary trend noticed since 1950-51 in both revenue and expenditure is expected to continue in 1952-53. Defence expenditure in particular tends to show a sharp increase in many countries. Nevertheless, a majority of the budgets so far available show surpluses, a notable exception again being the U.S.A., which is expected to show a large deficit. This has generally been made possible by additional taxation proposals, including the revival of the Excess Profits Tax, and some economies in non-defence expenditure, including a curtailment of food subsidies. Generally speaking, these budgets have sought to counter persisting inflationary pressures at home in an endeavour to correct the widening adverse balance of payments. Fiscal measures directed towards this end have differed from country to country ; all of them, however, have been aimed at augmenting revenues and reducing non-essential expenditure.

In the sphere of public debt operations, a significant development arising mainly from a recognition of the need to curb excessive credit expansion has been the adoption by many countries, during the last two years or so, of a debt management policy designed to assist the achievement of the objectives of monetary policy. The earlier tendency for Governments to adhere to a policy of low interest rates rigidly has been either abandoned or allowed to weaken in several countries. Consequently, interest rates have tended to harden and would add to the cost of servicing public debt ; the additional burden on this account, however, is likely to be more than met by the gains arising from arresting inflation. There is also a growing recognition, as has been evident in the U.S.A., that borrowing by Governments should mainly come from genuine savings rather than through bank credit and monetary expansion.

In the U.S.A., the revised estimates for 1951-52 show a deficit of \$8.2 billion, which is less than half of what was budgeted for, mainly because of higher revenues.

The budget estimates for 1952-53 break all peacetime records as regards the size of the prospective deficit as well as receipts and expenditures. Total net receipts and expenditures are, respectively, estimated at \$71.0 billion and \$85.4 billion, leaving a deficit of \$14.4 billion (*vide Statement 6 and Graph 4*). To meet a part of the deficit, the President has recommended tax increases† and elimination of loop-holes in taxation and special tax privileges.

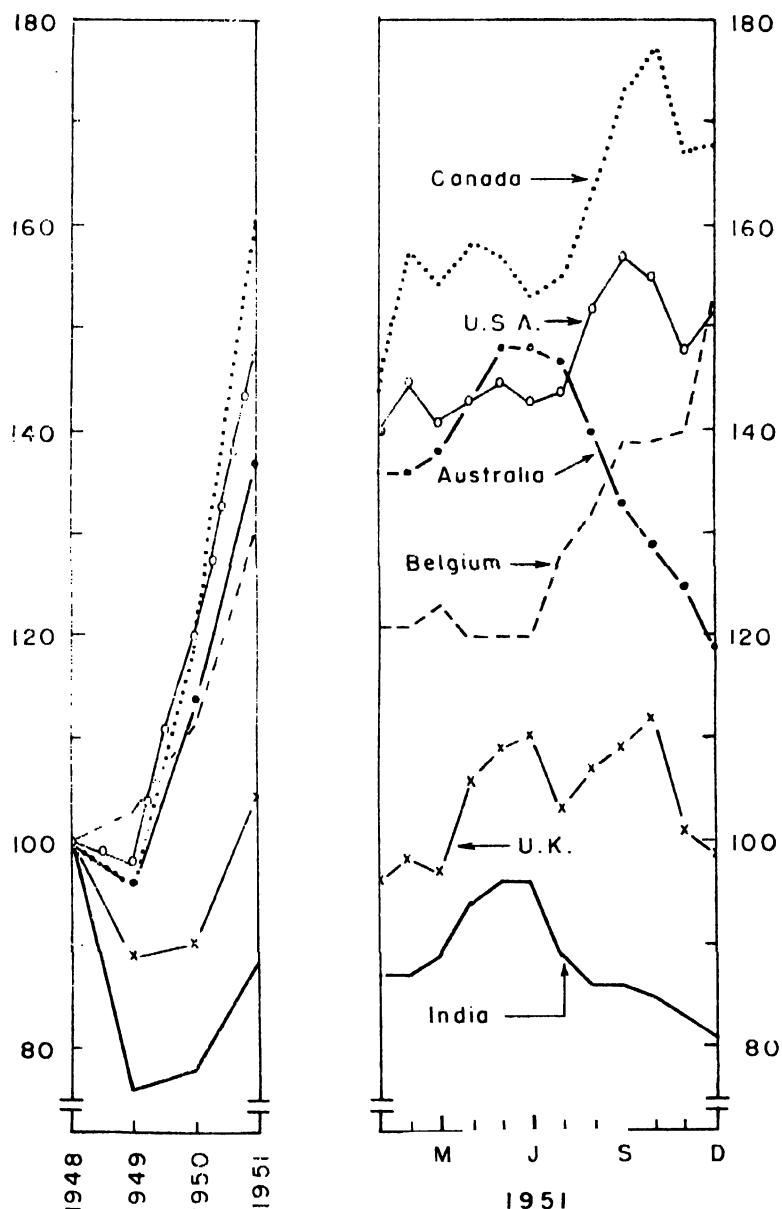
The estimated expenditure of \$85.4 billion is close to the highest levels attained during the two war years of 1943-44 and 1944-45 and is higher than the 1951-52 revised figure by \$14.5 billion. The anticipated increase in 1952-53 is more than accounted for by the increases under two items, namely, military services

† To yield, at the very least, the amount by which the 1951-52 legislation fell short of his recommendations.

GRAPH 3

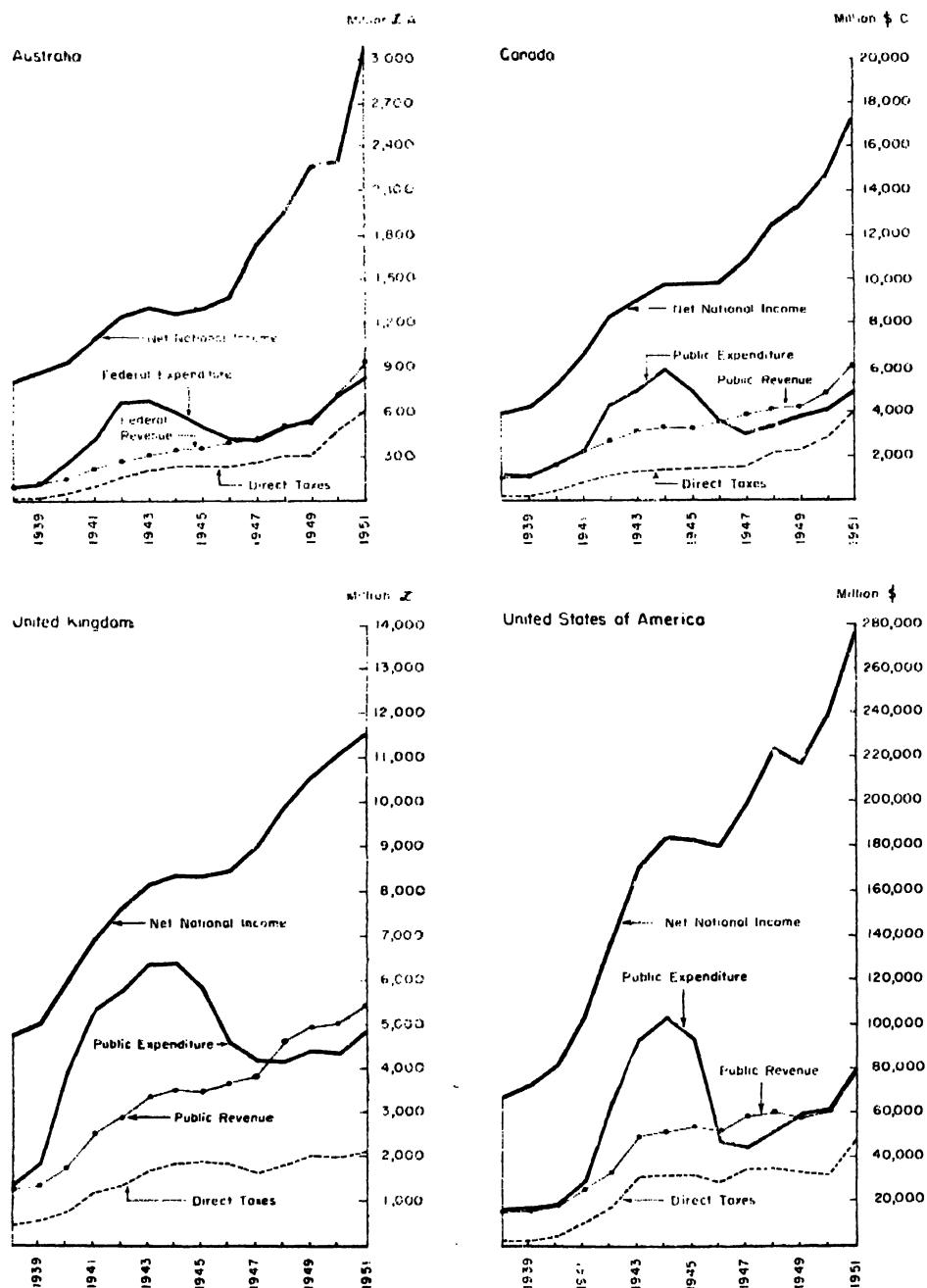
INDEX NUMBERS OF MARKET VALUE OF INDUSTRIAL SHARES

BASE: 1948=100



GRAPH 4

PUBLIC REVENUE, PUBLIC EXPENDITURE AND NATIONAL INCOME



(\$11.4 billion) and international security and foreign relations (\$3.6 billion). The outlay on military services at \$51.2 billion represents 60 per cent of total expenditure, while that on international security and foreign relations at \$10.8 billion accounts for 13 per cent.

The total public debt, which as on June 30, 1952 is estimated at \$260.2 billion is expected to be stepped up to \$274.9 billion by June 30, 1953. The main features of Treasury financing during 1951-52 were (1) the increase by \$200 million in the normal weekly sales of Treasury bills between June and August 1951 and (2) the introduction of Tax Anticipation Bills as a device to help the Treasury tide over temporary heavy cash operating deficit.

In the U.K., the actuals for 1951-52 place the surplus (above the line) at £379 million as against £39 million originally anticipated, as a result of higher revenue at £4,433 million and lower expenditure at £4,054 million.

In 1952-53, on the basis of existing taxation, revenue is placed at £4,778 million or £345 million higher than in 1951-52; expenditure at £4,240 million is also higher by £186 million, the increase reflecting a rise in total net expenditure on defence (which at £1,377 million constitutes 32 per cent of total expenditure), partially offset by a net decline in civil expenditure. Thus the 'above the line' surplus in 1952-53 will be £538 million. The effect of 1952-53 budget proposals would be to reduce this surplus to £510 million. These proposals include a reduction in food subsidies, compensatory increase in social benefits, a significant reduction in the weight of direct taxation with a view to providing incentives, particularly to the lower and middle income groups, and a new Excess Profits Levy, which will be operative from January 1, 1952.

The total public debt of the U.K. (including £2,166 million of external debt) at the end of March 1952 was £25,860 million, showing a decrease of about £62 million over the end-March 1951 figure. Floating debt has fallen by £1,170 million to £4,570 million, the ratio to total national debt falling from 22 per cent to 18 per cent. This is due mainly to the funding of a substantial portion of the floating debt by the issue in November 1951 of the new 1½ per cent Funding Bonds.

In Canada, the revised estimate for 1951-52 reveals a large surplus of \$C 356 million as against \$C 30 million originally anticipated and \$C 211 million in 1950-51. Revenue at \$C 4,003 million and expenditure at \$C 3,647 million show an increase of \$C 273 million and a decrease of \$C 53 million, respectively, over the budget estimates.

The main features of the budget for 1952-53 are a further rise in revenue, a relatively sharp increase in expenditure wholly under defence (which represents about 50 per cent of the total expenditure on revenue account), substantial tax relief and a smaller surplus. Taking into account the effect of budget proposals, revenue is estimated at \$C 4,279 million and expenditure at \$C 4,270 million, leaving a surplus of \$C 9 million.

The gross public debt of Canada increased by \$C 233.3 million to an estimated total of \$C 17,156.6 million at the end of March 1952, despite a reduction of \$C 323.8 million in the unmatured funded debt during 1951-52.

In the Union of South Africa, 1951-52 is expected to close with a surplus of £SA 4 million, instead of the originally estimated deficit of £SA 4 million. During 1952-53, revenue on the basis of changes in taxation is estimated at £SA 207

million and expenditure at £SA 206 million, thus leaving a surplus of about £SA 1 million. The revenue proposals comprise an intensified drive to collect tax arrears as well as tax increases.

The total public debt of South Africa as at the end of March 1952 was estimated at £SA 803.7 million, representing an increase of £SA 27.4 million over the end-March 1951 amount. The country's floating debt has fallen by £SA 2.3 million and now constitutes 14.8 per cent of the total debt as compared with 16 per cent at the end of 1950-51. Under an agreement entered into with Swiss private banks, the South African Government floated in Switzerland early in March 1952 a £5 million loan, which was heavily oversubscribed.

In Australia, the total expenditure from the Consolidated Revenue Fund in 1951-52 (excluding self-balancing items and allowing for proposed economies under certain expenditure heads and increases in certain repatriation benefits) is estimated at £A 926.9 million and total revenue at £A 881.4 million, showing increases, respectively, of £A 143.3 million and £A 97.8 million over the 1950-51 actuals. The resultant deficit is intended to be converted into a comfortable surplus of £A 114.5 million by additional taxation expected to yield £A 160 million.

Defence expenditure in 1951-52 at £A 181.7 million shows an increase of £A 33.6 million or 22.7 per cent over the actuals in 1950-51. As against this, expenditure on capital works and services, bounties and subsidies, and administration was to be pruned down. Expenditure on account of National Welfare Fund at £A 138.1 million is higher by £A 23.1 million.

The borrowing programme of the Commonwealth and States for 1951-52, as approved by the Loan Council, planned to raise £A 225 million, which represents an increase of 36 per cent over the previous year's borrowing of £A 165 million. As, however, it was felt that this target was substantially in excess of the capacity of the loan market, it was later announced that the anticipated revenue surplus of £A 114.5 million would be paid into the National Debt Sinking Fund, which would be empowered to invest some part thereof in Commonwealth and State loans to be raised.

The total public debt of the Commonwealth and States is estimated to rise from £2,909 million at the end of June 1950 to £3,060 million by the end of June 1951.

In New Zealand, the actuals for 1950-51 on the combined accounts of Consolidated Fund and Social Security Fund showed a surplus of £NZ 8.7 million. In 1951-52, the total revenue and expenditure on the combined accounts of Consolidated and Social Security Funds are estimated at £NZ 208.20 million and £NZ 201.01 million, respectively, or £NZ 28.56 million and £NZ 30.09 million more than in 1950-51. The surplus of £NZ 7.19 million is expected despite a heavy increase in the expenditure on defence, subsidies, social security benefits, and tax concessions.

The public debt of New Zealand as on March 31, 1951 (excluding £NZ 26.2 million of Imperial Government advances on which payments are suspended), amounted to £NZ 667.2 million, showing a net increase of £NZ 23.3 million over the year. The increase was wholly in the internal debt ; the overseas debt at £NZ 77.8 million showed during the year a decline of £NZ 0.96 million.

In Pakistan, the revised estimates for 1951-52 on revenue account reveal a net surplus of Rs. 0.66 crore, with revenue at Rs. 140.56 crores and expenditure

(including Rs. 7 crores allocations to certain Special Funds) at Rs. 139.90 crores. As compared with the budget estimates, the revised estimates for 1951-52 show increases of Rs. 25.74 crores in revenue and Rs. 25.38 crores in expenditure, mainly under defence. Capital expenditure at Rs. 47.28 crores shows a decline of Rs. 8.92 crores over the budgeted figure. The overall deficit (on the combined Revenue and Capital Accounts), as reflected in the running down of cash balances during the year, is estimated to amount to Rs. 25 crores.

The budget estimates for 1952-53 (on Revenue Account) place both revenue and expenditure lower at Rs. 126.55 crores and Rs. 118.71 crores, respectively. Out of the surplus of Rs. 7.84 crores, it is proposed to allocate Rs. 5.8 crores to certain funds and give tax relief to the extent of about Rs. 2 crores, leaving a net surplus on revenue account of Rs. 36 lakhs. Estimated total capital expenditure during 1952-53 at Rs. 69.83 crores shows an increase of Rs. 22.55 crores over the 1951-52 revised estimates. The overall deficit (on the combined Revenue and Capital Accounts) for the year is estimated at Rs. 32 crores.

Among the Western European countries noticed below, Belgium, Sweden, Norway and Denmark expect to realise a surplus in their 1952 budgets ; France expects to have a balanced budget, while Holland anticipates a deficit.

The French budget for 1952 shows a sharp rise in expenditure, by about a third over the previous year, mainly as a result of the obligations assumed by France as a member of the Atlantic Pact and partly on account of the increase in pensions approved in 1951. Total expenditure envisaged in the budget is 3,494 milliard francs, which will fall short of total revenues (including American aid of 265 milliard francs) by 447 milliard francs. There is to be no increase in taxation either direct or indirect. Other features are the proposed economies in civil expenditure by 110 milliard francs, freezing of 100 milliard francs allocated for reconstruction and investment until the money can be raised by loans and a speeding up of tax collections. Stern measures are to be taken to suppress tax dodging in the future ; as regards past tax evasion, however, an amnesty is to be granted to enable such tax payers as have not declared their reserves of currency or gold to do so without stating their origin.

The Belgian budget for 1951 (revised) places revenue at BF 73.4 milliard and expenditure at BF 68.1 milliard on ordinary account, leaving a surplus of BF 5.3 milliard. In the budget for 1952, expenditure on ordinary account is placed at BF 70.4 milliard. Allowing for the expected loss of BF 550 million on account of the proposed reliefs in indirect taxation, the revenue on ordinary account is placed at BF 70.5 milliard, leaving only a nominal surplus of BF 136 million. In the extraordinary budget (to be financed mainly from the capital market), the revenue is estimated at BF 1,588 million (including BF 1,452 million from the monetary rehabilitation tax) and expenditure at BF 21,352 million (including BF 17,724 million for investments). Including BF 4.8 milliard in respect of soldiers' and war pensions, a sum of BF 28.2 milliard is provided for defence services, which constitutes 31 per cent of the total budget.

In Holland, with total revenue at Fls. 4,983 million and total expenditure at Fls. 5,250 million, the budget for 1952 shows a deficit of Fls. 267 million as against a deficit of Fls. 836 million during 1951 (revised). This deficit is made up of a deficit of Fls. 1,167 million on Extraordinary Account, partially offset by a

surplus of Fls. 900 million on Ordinary Account. The biggest item of expenditure is that on defence which at Fls. 1,500 million accounts for 29 per cent of the total revenue. Food subsidies and expenditure on administration have been reduced. The capital and non-military estimates on extraordinary services have also been cut by 19 per cent. The budget does not contain any additional taxation.

The Swedish budget for 1951-52 (revised) reveals a surplus of SKr. 1,300 million on current account, which will cover expenditures on capital account. A similar surplus of SKr. 1,056 million is shown in the budget for 1952-53 which the Finance Minister proposes to utilise for meeting capital expenditures. The outlay on defence is placed higher at SKr. 1,650 million compared with SKr. 1,400 million in 1951-52. The Minister for Finance announced that a general Excess Profits Tax would be considered as soon as the 1951 reports on corporate earnings became available. He also mentioned the possibility of partially blocking the earnings of export industries, other than forestry, with a view to directing exports to countries whose currencies are in short supply.

Norway's budget for the financial year beginning July 1, 1952 shows a surplus of Nkr. 496 million on current account, which will be utilised to cover capital expenditures. The outlay on defence is placed at Nkr. 900 million or Nkr. 132 million more than in 1951-52. Denmark's budget for the fiscal year 1952-53 reveals a surplus on current account of Dkr. 11 million. Defence expenditure is placed at Dkr. 505 million as against Dkr. 360 million during 1951-52.

Among the East European countries, information is available about the Soviet Union budget for 1952. It shows a record surplus of 32 billion roubles as compared with an estimated surplus of 27 billion roubles in 1951. The 1952 budget provides for an income of 509 billion roubles and an expenditure of 477 billion roubles, both of which are higher than the 1951 revised estimates. 114 billion roubles or 24 per cent of the total expenditure are to be spent on defence, as against 96 billion roubles in 1951; otherwise, the budget estimates show few marked variations from last year. Capital expenditure for the year is estimated at 143 billion roubles.

6. INTERNATIONAL PAYMENTS POSITION

The trend of world payments altered significantly during the year under review. In 1950, owing to the upswing in world demand and consequent sharp rise in prices, countries predominantly engaged in producing raw materials realised large balance of payments surpluses. Simultaneously, the U.S. surplus declined substantially, easing to a considerable extent the chronic dollar shortage of the rest of the world. In 1951, as a consequence of reduced demand owing partly to slackening of stockpiling in the U.S.A. and partly to consumer resistance, the payments position of most countries, especially that of raw material producers, was adversely affected, which was reflected in the re-appearance of a considerably larger U.S. payments surplus during the year—\$5.0 billion as compared with \$2.3 billion in 1950. Several European countries experienced increasing deficits with the dollar area, while their position *vis-a-vis* the sterling area was showing improvement, with the result that difficulties of the U.K. and of the sterling area as a whole became particularly acute, giving rise to a payments crisis of extreme severity. Thus, the international payments problem during 1951 was very largely a sterling area problem. The rapidity of deterioration in the sterling area's payments position is brought into bold relief by the fact that a substantial surplus in the first half of the year was followed by a large deficit in the second.

This contrast between the two halves of 1951 is also a striking feature of the payments position of several countries during the year.

BALANCE OF INTERNATIONAL TRANSACTIONS OF THE UNITED STATES IN 1951

(Millions of U.S. Dollars)

Item	Sterling Area		All Areas	
	Jan.-June	July-Dec.	Jan.-June	July-Dec.
Exports of goods ...	... 943	1,387	7,505	7,919
Exports of services...	... 350	489	2,153	2,563
Total ...	1,293	1,876	9,658	10,482
Imports of goods ...	... 1,279	946	6,350	5,313
Imports of services...	... 324	360	1,503	1,945
Total ...	1,603	1,306	7,853	7,258
Balance on goods and services ...	- 310	+ 570	+ 1,805	+ 3,224
Unilateral Transfers ...	- 184	+ 140	- 2,522	- 2,417
Private ...	- 31	+ 39	- 208	- 197
Government ...	- 153	+ 101	- 2,314	- 2,220
Balance including unilateral transfers ...	- 494	+ 430	- 717	+ 807
United States Capital (Net) ...	- 20	- 6	- 723	- 330
Private ...	- 29	+ 37	- 581	- 313
Government ...	+ 9	- 43	- 142	- 17
Foreign Capital ...	- 14	+ 58	- 109	+ 396
Long-term ...	+ 32	+ 2	- 31	- 483
Short-term ...	+ 46	+ 56	+ 140	+ 879
Gold [Purchases (-); Sales (+)] ...	+ 474	- 987	+ 948	- 1,001
Errors and omissions including multilateral settlements ...	+ 54	+ 505	+ 383	+ 128

The surplus which the U.S.A. had on goods and services account amounted to \$ 1,805 million in the first half of 1951; it rose to \$ 3,224 million in the second half. The larger surplus in the second half was due both to a rise of \$ 824 million in exports and a fall of \$ 595 million in imports. Other factors aggravating the payments position of the rest of the world during this half were the decline in the U.S. aid by \$ 105 million and in the U.S. capital outflow by \$ 393 million. In consequence, all other countries taken together suffered a severe loss of their foreign exchange reserves; their gold losses amounted to \$ 1,001 million in the second half of 1951 as against an increase of \$ 948 million in the first half. They also converted during 1951 about \$ 515 million of their long-term capital into short-term capital, presumably with a view to meeting future commitments. For the year as a whole, holdings of gold and dollars in the U.S.A., by other countries increased by \$ 362 million, the net result of an increase of \$ 1,014 million in the first half and a decrease of \$ 652 million in the second half of 1951.

In regard to the sterling area, the U.S. balance on goods and services account with it improved by \$ 880 million during 1951. This amount represents 14 per cent of the value of U.S.-sterling area trade during the year. In contrast the change in the balance between the two halves for the whole world's trade with the U.S.A. was only 4 per cent of the value of all U.S. trade. There was some reduction in the unilateral transfers from the U.S.A. and also in the U.S. capital investment. The drain, in consequence, on the sterling area's gold holdings was \$ 987 million in the second half as against an accretion of \$ 474 million in the first half.

The main reasons for the worsening in the sterling area's position were the decline in the sterling area's commodity prices and the increasing tempo of re-armament in the U.K. The price decline in turn was due to a reduction in the demand for the U.S. stockpile and some slackening of the demand for consumer goods in the U.S.A. Commodity prices declined sharply; for instance, the price of hides, wool, rubber, jute, tin and raw cotton declined by 66, 64, 55, 48, 40 and 22 per cent, respectively, between the peak in 1951 and March 1952. Dollar prices did not follow suit, the New York cotton price, for instance, declining by only 8 per cent. These price declines naturally had their greatest impact on the rest of the sterling area's (excluding the U.K.) balance of payments. The rest of the sterling area had a surplus of \$ 433 million with the dollar area in the first half of 1951, but this changed to a deficit of \$ 192 million in the second half (exclusive of gold sales by South Africa to the U.K.).

Period	Net deficit or surplus	Drawings on Canadian credit	Receipts under ERP	(Millions of U.S. Dollars)	
				Changes in reserves	Reserves at end of quarter
1950					
January—March ...	+ 40	27	230	+ 297	1,984
April—June ...	+ 180	18	240	+ 438	2,422
July—September ...	- 187	—	147	+ 334	2,756
October—December	+ 398	—	145	+ 544	3,300
Total	+ 805	45	782	+ 1,612	
1951					
January—March ...	+ 300	—	98	+ 458	3,758
April—June ...	+ 54	—	56	+ 100	3,867
July—September ...	- 638	—	40	- 598	3,269
October—December	- 940	—	6	- 934	2,335
Total	- 1,164	—	199	- 965	

The balance of payments of the U.K. with the dollar area also worsened during the year. Between the two halves the current account deficit increased from \$ 311 million to \$ 938 million with earnings down by \$ 162 million and payments up by \$ 465 million. Part of the increased payments was for stockpiling of tobacco. In part, they reflected the big increase in imports of raw materials and petroleum from the dollar area. In the second half of 1951 there were capital and interest payments in partial repayment of the U.S. and Canadian loans.

Because of the change in raw material prices, an increase in imports and a fall in earnings from invisibles, the position of the sterling area, both the U.K.

and the rest of the sterling area, *vis-à-vis* the non-dollar-non-sterling countries turned from a surplus to a deficit. All non-dollar areas paid the sterling area £ 48 million in gold and dollars in the first half of 1951, but had to be paid £ 104 million in the second half. The U.K.'s current account deficit with the non-dollar-non-sterling world rose from £ 50 million to £ 264 million between the two halves; in the EPU its surplus of £ 46.9 million in the first half of 1951 changed to a deficit of £ 384.5 million in the second half, involving a gold payment of £ 90.3 million in the last six months of the year, as against gold receipts of £ 15.9 million in the earlier six months. Similarly, the rest of the sterling area's surplus of £ 156 million in the first six months was replaced by a deficit of £ 162 million in the following half year. One of the factors increasing the rest of the sterling area's deficit with the non-sterling area was large imports by Australia, the Australian deficit (with all areas) on visible trade in the second half of 1951 being £A 316 million as compared to a surplus of £A 110 million in the first half.

The change from increase to decrease in the gold and dollar reserves of the rest of the sterling area between the two halves was accompanied by a fall in sterling balances of the rest of the sterling area by £ 311 million in the second half as against a rise of £ 368 million in the first half. Over the year as a whole, the rest of the sterling area increased its sterling balances by £ 57 million. Apart from changes in sterling balances, it borrowed £ 130 million from the U.K., there being a net capital outflow from the U.K. to the rest of the sterling area of £ 73 million, which represents that part of the rest of the sterling area's overall balance of payments deficit in 1951 which was financed through London.

A conference of Commonwealth Finance Ministers was held to consider ways and means of meeting the crisis. It was agreed that the sterling area should attempt to balance its position with the non-sterling area by the second half of 1952. This could not, it was felt, be achieved unless sterling area members balance their respective overall accounts, allowing for capital movements. It was decided that convertibility of sterling was an important aim and working parties were set up to study this problem and the longer-run problem of development. Interim reports of these committees have been submitted and are under consideration.

In the meantime the U.K. re-opened the foreign exchange market in London on a limited scale. Margins were fixed for spot dealings in a number of currencies and within these margins rates could be freely determined. Forward transactions were completely freed and banks were given considerable freedom to undertake arbitrage operations, although free movements of funds between centres were not permitted.

7. GOLD POLICY

The IMF's gold policy which had met with strong opposition from several countries since 1947 underwent some adjustment in September 1951. In enforcing the policy the Fund had found it impracticable to expect all members to take uniform measures to achieve the objects of the premium gold statement of 1947. The Fund's communique announcing the revised policy said: "While the Fund reaffirms its belief in the economic principles involved and urges the members to support them, the Fund leaves to its members the practical operating decisions involved in their implementation". This announcement was followed by the relaxation of restrictions on premium gold sales in several countries.

South Africa has for sometime allowed about 40 per cent of its gold production to be sold at premium prices ; these sales conformed to the Fund's directive as they were ostensibly for industrial and artistic purposes, but it is feared that a large proportion of gold sold for this purpose ultimately found its way into gold hoards. The South African Government announced in September last that it would continue to sell 40 per cent of its production at premium prices, but it would make decisions from time to time on the basis of developments in free markets.

Owing to these developments, other gold producing countries which had adhered to the Fund's gold policy were subjected to internal pressures. Consequently, early in October, the Canadian Minister of Finance allowed Canadian producers to sell their gold at premium prices on condition that producers who did so would not be eligible for assistance under the Emergency Gold Mining Assistance Act. Certain procedural requirements were laid down, including the condition that payment for gold should be received in U.S. dollars. In November, the Australian Government permitted its gold producers to sell gold at premium prices provided that the sales were for industrial purposes and that payment was received in U. S. dollars. Later the Government announced that the mines would be permitted to sell all gold except 6,000 ozs. a month which was required for domestic currency purposes. Towards the end of 1951, the Gold Coast, Fijian, Southern Rhodesian and Tanganyikan Governments also announced their decision to permit sales at premium prices upto 40 per cent of their gold production, subject to the same conditions. The amount of gold released by these countries for the free markets is estimated to amount to about 540,000 fine ozs. or about \$19 million.

In April 1952, the Southern Rhodesian Government, which had decided earlier to free only 40 per cent of the country's production on the advice of the British Government, announced that from May 1, 1952 its entire gold production could be sold at premium prices for dollars.

In the months following the Fund's decision, the free market price of gold in most centres fell by about 2 dollars. A much sharper fall, however, came in March and April 1952, when gold prices in the Bombay market too slumped heavily. On April 30, the price of gold in free markets was \$ 37.00 per ounce, while in Paris it was about \$ 39.24. The disparity between the official and free market prices of gold has thus considerably narrowed down in recent months.

World Gold Production.—It may be seen from Statement 7 which gives figures of world gold production from 1939 to 1951, that there was a fall of 0.7 million ozs. in gold production during 1951. Production in the Commonwealth countries decreased slightly but the largest fall was in the U.S.A. Out of the total world production of 25.7 million ozs. in 1951, only 7.4 million ozs. were added to official reserves as against 14.2 million ozs. in the previous year. Of the remainder, 13.3 million ozs. were utilised ostensibly for industrial purposes, and it is presumed that the remaining 5 million ozs. found their way into private hoards. It has also been estimated that of the 13.3 million ozs. released for industrial consumption, 5 million ozs. went into private hoards.

8. SILVER TRENDS

In contrast to the decline in the free market price of gold, the world price of silver in 1951 ruled relatively firm, as reflected in the behaviour of prices in the New York market. Since the U. S. Treasury assumed, in July 1946, the mandatory obligation* to buy the whole of the domestic output of silver at 90½ cents per fine ounce, the silver policy of Mexico, which is the largest producer of the metal, has been a dominating influence on the trends in world silver prices. Thus, the sharp upswing in the open market quotation for foreign silver in New York in January 1951, and also the setback early in June were primarily the outcome of changes in the silver policy of the Bank of Mexico. In London, the Treasury's price of silver for essential trade requirements varied with the price movements in New York. The spot price of silver during 1951 averaged 89.37 cents per ounce in New York and 77.27/32d. per ounce in London, as against 74.17 cents and 64.25/32d. respectively, during 1950. The highest and the lowest quotations(spot) for the year were 90.16 cents and 80 cents per ounce in New York and 78½d. and 70d. per ounce in London, as against 80 cents and 71.75 cents per ounce for New York and 70d. and 63d. per ounce for London in 1950. In London, spot and forward rates remained identical throughout the year, except during the period from June 8 to June 28, when owing to some 'hedge' selling for 2 months' delivery, the forward rate was quoted, for the first time since February 1948, at a discount which ranged upto 1/2d. below the spot rate. The higher international silver prices during 1951 reflected the upswing in demand for monetary purposes. In the Bombay market, silver prices during 1951 continued to rule substantially above the world parity levels, the sterling equivalents of the highest and lowest quotations for 1951 being 99½d. and 87½d. per ounce.

Recent trends in prices and the estimated production and consumption of silver are shown in Statements 8 and 9. The total world industrial and monetary demand for silver, which had moved up during 1950 owing mainly to defence requirements, showed a further sharp expansion during 1951 from 183.2 million ounces to 228.6 million ounces. On the other hand, the improvement in the estimated world production of silver witnessed during 1950 was not maintained, the total output being estimated at 155.2 million ounces, as against 165.1 million ounces in 1950 and 148.6 million ounces in 1949. As regards demonetisation of silver coins, the total quantity of silver recovered in the U.K. during the year amounted to only 10 million ounces and in Mexico, 12 million ounces. Further withdrawals of silver coins have been temporarily suspended in the U.K., owing to the shortage of metals required for the minting of cupro-nickel coins to replace silver coins in circulation.

The uptrend in the U.S. Treasury's stocks of silver noticed from 1946 continued during 1951, the total stocks, including silver in coins in circulation showing a substantial rise over the year of 34.9 million ounces at 2,896.1 million ounces, as against 2,717.0 million ounces at the end of 1945. The rise during 1951 was due mainly to purchases by the Treasury of a substantial quantity of newly-mined domestic silver in terms of the Act of July 1946, referred to above. The amount of silver owed to the U.S.A. by foreign Governments under the lend-lease agreements remained unchanged at 410.6 million fine ounces during the year.

* The Silver Act of July 31, 1946 provides, among other things, for the statutory purchase by the U.S. Treasury of all domestic silver mined after July 1, 1946, if offered within one year after being mined at 90½ cents per fine ounce.

9. FINANCE FOR REARMAMENT AND DEVELOPMENT

The U.S.A. continued to be far and away the largest source of international loans and grants in 1951-52 (July-June), but the major part of these funds was for rearmament. The amount appropriated in October 1951 for the Mutual Security Programme was \$ 7.3 billion divided into \$ 5.8 billion for military aid, \$ 1.4 billion for economic aid and \$ 100 million for military, economic and technical aid to Spain ; in addition the unspent balance of \$ 817 million of foreign aid in 1950-51 was carried forward.

As before, Europe received a major share of the 1951-52 aid programme, namely, \$ 5.8 billion, made up of \$ 4.8 billion for military aid and \$ 1.0 billion for economic aid. Of the \$ 6.4 billion Mutual Security Programme which has been authorised for 1952-53, an amount of \$ 4.7 billion is to be allocated to Europe for military and defence support aid. In this connection, it may be added that Marshall Aid was terminated on December 31, 1951.

The remainder of the 1951-52 appropriation under the Mutual Security Programme was divided by area and purpose as follows :

Near East and Africa : Military aid \$ 396 million ; economic aid \$ 160 million.

Asia and Pacific : Military aid \$ 535 million; economic aid \$ 396 million. Out of this, \$ 80 million were provided for assistance to India, Pakistan, Afghanistan, Ceylon and Nepal.

Latin America : Military aid \$ 38 million ; economic aid \$ 21 million.

Spain : \$ 100 million.

Out of the amount allocated to South East Asia, \$ 50 million were set aside for aid to India. Accordingly, under the Indo-U.S. Technical Co-operation Agreement of January 1952, an amount of \$ 50 million was to be deposited in a Fund called the Indo-American Technical Co-operation Fund (Fund A). The salaries of technical experts for India engaged by the U.S. Government, the costs of training Indian nationals in the U.S.A. and the costs of technical assistance provided by the U.S.A. through contracts with private agencies were to be borne by the U.S. Government from funds other than those deposited in Fund A. The Government of India agreed to contribute in rupees over Rs. 25 crores (Fund B). The total amount in the Fund would thus exceed Rs. 50 crores or \$ 100 million. The projects financed by the Fund were to be co-ordinated with the Five-Year Plan and, for the most part, were to aim at increasing agricultural efficiency and food production.

In addition to appropriations for the Mutual Security Programme, the U.S.A. granted a loan of \$ 190 million to India in June 1951 for the purchase of foodgrains in the U.S.A. The loan bears 2½ per cent interest. Out of the interest paid, a sum upto \$ 5 million will be used by the State Department for training Indians in the U.S.A. and U.S. citizens in India, for purchasing American scientific books and equipment for India, and to defray the costs of administering the loan. The rupees raised by the sale of foodgrains bought from the loan will be placed in a

special development fund. This fund will be used mainly to provide short-term and medium-term loans, and, in special cases, grants to State Governments, and also, to recoup expenditure on certain Central Government capital schemes.

The loans made by the Export-Import Bank amounted to \$244.2 million in 1951 as against \$565.8 million in 1950; \$152.2 million were loaned to Latin America, Africa and the Middle East, \$50.0 million to Europe, \$41.1 million to Asia and the Far East and \$0.7 million to Canada. The lending authority of the Bank was raised by \$1 billion in October 1951 to \$4.5 billion. By the end of 1951 its uncommitted lending authority was \$1,500 million.

There was a marked decrease in the volume of lending by the IBRD. The Bank lent \$236.4 million in 1951-52 as against \$345.7 million in the previous year. Of this amount, \$78.5 million were loaned to Europe, exclusive of a loan of \$40.0 million to Belgium to be used for the Ten-Year Development Plan in the Belgian Congo, and a loan of \$28 million for the development of Southern Rhodesia. Pakistan received a loan from the IBRD during the year. Particulars of IBRD loans in 1951-52 are given in Statement 10.

Canada made available to the IBRD for lending \$7.5 million from its paid-in subscriptions in 1951-52 (April-March). In addition, the IBRD raised net \$125.3 million by sale of its bonds in London, New York, Switzerland and Canada, \$49.4 million by sale of its borrowers' obligations and from current repayments, and \$55.6 million from its operations. The total gross amount available for lending increased by \$198.0 million to \$1,347.5 million. The loans disbursed amounted to \$823.3 million (as against a total of \$1,305.9 million granted as on March 31, 1952), so that there was an excess of available funds over loan disbursements of \$524.2 million on March 31, 1952.

The Colombo Plan officially came into effect on July 1, 1951 and the first annual meeting of the Colombo Plan Consultative Committee took place at Karachi in March 1952 to discuss the progress achieved and the revised estimates under the Plan for various countries. For India, the revised Six-Year Development Plan involves an outlay of Rs. 2,333.7 crores as against Rs. 1,839.6 crores previously planned for. Out of the total outlay of Rs. 2,333.7 crores, Rs. 1,551 crores will be raised internally by the State and Central Governments, leaving Rs. 782.7 crores to be provided by external aid. Apart from the loans and aid received from the U.S.A. and the IBRD, in 1951-52 India received \$C 15 million from Canada (\$C 10 million for wheat and the rest for the Bombay Transport Scheme), £A 4.2 million from Australia (£A 3.7 million in the shape of wheat and flour) and £250,000 from New Zealand. The sale proceeds of wheat and flour from Australia and Canada will be placed in special development funds similar to that for the U.S. Food Loan. The sale proceeds of the Canadian wheat are to be used for the dam to be constructed as part of the Mayurakshi project.

The outflow of U.S. private long-term capital was smaller in 1951 : as against \$950 million in 1950, the total outflow in 1951 was \$781 million : of this \$150 million went to international institutions (the net purchase of obligations issued or guaranteed by the IBRD was \$147 million). Of the remaining \$631 million, \$407 million went to Canada. It is evident from these figures that private capital played a relatively small part in financing foreign development.

PART II

**INDIAN
CURRENCY AND FINANCE**

INTRODUCTORY

10. *General Economic Situation.*—An outstanding event of the year 1951-52 was the holding of the country's first General Elections based on adult franchise. Following these, a new Union Government assumed office in May 1952.

In the economic sphere, the year was marked by distinct progress, especially in the latter half of the year, owing largely to a combination of disinflationary measures adopted by Government and favourable developments abroad ; the food situation, however, continued to be difficult. The internal impact of inflationary forces generated by the Korean War showed signs of weakening, mainly as a result of the improvement in the supply situation and the adoption by Government of fiscal and monetary measures ; these included the budgeting for a substantial revenue surplus to meet a part of the capital expenditure, the retention of export duties during the greater part of the year and the raising of the Bank rate in November 1951 by $\frac{1}{2}$ per cent to $3\frac{1}{2}$ per cent along with a change in the Bank's method of providing seasonal finance to banks. The substantial revenue surplus of Rs. 92.61 crores during 1951-52 together with the sale proceeds of the U.S. Loan Wheat enabled the authorities to finance the year's development programme without drawing down their cash balances. The improvement in the supply situation was brought about by higher domestic production, both agricultural and industrial, liberalisation of import restrictions and regulation of exports, mainly with a view to ensuring adequate supplies for internal consumption. The general improvement in the economic situation was reflected in the behaviour of the price level, which showed a more or less continuous downtrend and stood at the end of the year about 16 per cent lower as compared with the level at the end of the preceding year. Living costs too started moving downward at the various centres between May and December 1951, the improvement generally continuing till the end of the year. Simultaneously, money supply showed a substantial contraction of Rs. 172.0 crores, in contrast to a pronounced expansion of Rs. 99.2 crores during 1950-51.

Statement 11 shows the main trends in the country's economy during the year under review. Industrial production rose by about 10 per cent, the official average general index of industrial production (*base: 1946=100*), rising from 105.2 in 1950 to 117.4 in 1951. Larger supplies of raw materials, both domestic and foreign, the grant of price increases to compensate for the rise in production costs and better relations between management and labour, among others, contributed towards increased production. A feature was the appreciable improvement in the production of consumer goods like cloth, sugar and salt. The output of foodgrains, however, declined, owing to poor harvests in parts of the country, and to meet the deficit, Government had to import during 1951 about 4.7 million tons of foodgrains—the highest on record. The post-Korean upturn in prices was halted early in the year, and gave place to an almost continuous downtrend, the decline being particularly marked in the closing months of the year. The Economic Adviser's general index of wholesale prices (*base: year ended August 1939=100*), declined from the mid-April 1951 peak level of 462.0 to 428.8 by end-January 1952 and further to 378.2 by end-March, thus wiping out the rise in prices since May 1948. While the post-Korean rise in the Indian price level was relatively smaller than in many other countries, the subsequent readjustment has been more marked than in most countries. The sharp decline in commodity

prices in the closing months of the year affected sentiment in the various markets, including bullion and stock markets where settlement difficulties led to suspension of trading and the adoption of emergency measures. On the stock exchanges, while the gilt-edged remained generally steady during the first half of the year, equities, after an initial spurt, registered a sharp decline in July. Both the gilt-edged and equity markets, particularly the former, reacted downward after the raising of the Bank rate, while the unsettled conditions in the commodity markets affected the latter further in the closing months of the year.

The net fall of Rs. 172.0 crores in money supply during the year was the combined result of a large balance of payments deficit, a sizable surplus in Government revenues, accrual to Government of the sale proceeds on account of the U.S. Loan Wheat and the adoption, at the commencement of the busy season, of a restrictive credit policy, which was necessitated by the persistence of the post-Korean credit inflation. During 1951-52, the Reserve Bank's holdings of foreign assets declined by Rs. 161 crores. Owing to a satisfactory ways and means position of the Central Government, their cash balances with the Reserve Bank showed a net rise over the year. The credit extended by scheduled banks during the busy season of 1951-52 amounted to Rs. 99.96 crores as against Rs. 180.29 crores during the previous busy season. The money supply recorded a net expansion of only Rs. 8.7 crores during the current busy season (upto mid-April 1952), as against the heavy expansion of Rs. 216.3 crores in the busy season of 1950-51.

India's balance of payments during 1951 showed a large deficit of Rs. 93.5 crores on current account as against a surplus of Rs. 57.5 crores in 1950. This deficit, however, has to be viewed partly against the background of the substantial external assistance which the country received during the year and partly against the payments surplus of the previous year which had entailed a considerable depletion of commercial stocks. The resumption of trade with Pakistan in February 1951, though a welcome development in the economic relations between the two countries, also contributed to the deficit.

An event of considerable significance to the economic future of the country was the publication, in July 1951, by the Planning Commission, of the draft outline of the First Five-Year Plan for national economic development, covering the period 1951-52 to 1955-56. While the Plan relies mainly on internal resources for financing development, its formulation on a realistic basis has generally improved the prospects of foreign aid, both official and private, which is essential for the complete execution of the Plan. Also, as a result of the outlining of the Five-Year Plan, India was enabled to present a revised six-year development programme under the Colombo Plan to the meeting of the Commonwealth Consultative Committee of the Colombo Plan countries held in March 1952, and to secure its approval. In furtherance of these Plans, during the year, India received substantial external assistance from the U.S.A. and from some members of the Colombo Plan.

11. *Controls.*—The various control measures in force during 1950-51 were generally continued during 1951-52 although towards the close, following a sharp decline in prices, including those of some leading export commodities, controls in certain sectors were relaxed in an effort to maintain production and employment. Other changes during the year related to the strengthening of control over raw cotton for the 1951-52 season, the modification of the basis for determining the quantum for free sales in the case of sugar and the revision in prices of certain controlled commodities including pig iron, steel, rubber and cotton textiles (*vide* para. 19). The essential commodities which continued to be controlled during 1951-52 included, among others, foodgrains, iron and steel, raw cotton

and cotton manufactures, raw rubber, coal and sugar? Controls on these goods were exercised through powers taken by Government under (1) the Essential Supplies (Temporary Powers) Act, 1946, which has been extended upto December 31, 1952, (2) special legislation enacted in the case of some commodities, e.g., raw rubber and drugs and (3) the Supply and Prices of Goods Act, 1950, which is to remain in force upto August 15, 1952.

Control over cotton was strengthened during the year by the institution of quality control and the adoption of a system of licensed trading. Also, the usual practice of allowing trading in cotton in all parts of the country simultaneously was changed; instead permission was granted for trading in the new 1951-52 crop at the various cotton growing centres in stages, according to the commencement of crop movements in the various regions. In sugar, the policy of partial decontrol adopted in December 1950, was continued for the 1951-52 season, with certain modifications in the formula for determining the excess production of each factory to be allowed for free sale in the open market. Under the revised formula, 95 per cent of the average production of each factory during the two years 1948-49 and 1949-50 was fixed as the basic quota, and one-half of the production of each factory in excess of this quota was allowed to be sold in the free market, while the other half, together with the basic quota was reserved for distribution at controlled prices. The total quantity of sugar released for sale in the free market in the 1951-52 season upto mid-June 1952 amounted to 2·6 lakh tons. During the year, three commodities, namely, chrome ore, raw jute and jute manufactures were brought within the purview of the Supply and Prices of Goods Act, 1950, while specific maximum prices in respect of bicycles in terms of this Act were also fixed on June 6, 1951.

In view of the slackening of international demand and the precipitate decline in domestic prices towards the close of the year (vide para. 19), the Central Government announced relaxations in export controls as well as in internal distribution controls. These measures were designed mainly to assist the export trade and to encourage speedy movement of goods internally. The relaxations in export restrictions, which included removal or liberalisation of quantitative and destinational restrictions on exports, among others, of jute and cotton manufactures, as also the abolition or reduction of export duties on several commodities are referred to in detail elsewhere. Government also relaxed progressively the distribution control over cloth. On March 17, Government announced the temporary suspension, as from April 1, of the allocations, for controlled distribution, of superfine and certain varieties of fine cloth to State nominees and allowed textile mills to sell freely such cloth to buyers of their own choice; on March 31, the allocations to State nominees of the remaining varieties of fine cloth were also suspended; on the same date, Government also announced that only 50 per cent* of the production of mills of coarse and medium cloth would be allotted to State nominees, the balance being allowed to be sold by mills to licensed dealers; mills were also permitted to sell freely, such portions of the quota allotted to State nominees, as were not lifted by them within the time prescribed. As regards yarn, mills were allowed to sell to licensed dealers of their own choice yarn of all counts made out of foreign cotton. On March 24, Government removed all restrictions on production, prices, movement and distribution of cotton seed throughout the Indian Union except the States of Madras and the ~~Princely~~ in view of the sharp fall in cotton prices in the closing months of the year, the Central Government also formulated a scheme to support Indian cotton prices by purchase at the "floors".

* Since reduced to 20 per cent on April 19.

12. Industrial Policy.—The broad objectives of Government's industrial policy were laid down in the Resolution on Industrial Policy adopted by Parliament on April 7, 1948 (*vide* para. 16 of the Report for 1948-49). Recently the Planning Commission further defined in its draft outline the role of private industry in a mixed economy. According to the Commission, it will not be possible for the State to make large investments directly in industry, as the bulk of the resources will have to be mobilised for promoting development of agriculture, irrigation and power. The State will, however, control and direct investment as well as production and distribution to ensure close co-ordination between the public and private sectors essential to a centrally planned and directed economy. The Commission has ruled out, for the present, nationalisation on a large scale, and the private sector will continue to play an important role in production as well as in distribution.

Measures were taken during the year to implement the policy in regard to regulation of industry and to promote investment, including that of foreign capital. The Industries (Development and Control) Bill, 1949, which was introduced in Parliament in March 1949 (*vide* para. 17 of the Report for 1948-49), was finally approved in October 1951 as the Industries (Development and Regulation) Act, 1951. The Act[†] envisages regulation and development of thirty-seven industries or groups of industries as set forth in the First Schedule and provides for the establishment of Development Councils (one for each industry or groups of industries), as recommended by the Planning Commission. The Act also provides for the establishment of a Central Advisory Council, the registration of existing industrial undertakings as well as the licensing of new ones. It also empowers the Central Government, under certain circumstances, to cause an investigation into any industrial undertaking, to issue directions to it, to take over its management and also to make rules for carrying out the functions specified in the Act. Legislation was also enacted in September to check trafficking in managing agency rights by amending the Indian Companies Act (*vide* para. 43). Mainly with a view to promoting domestic investment, Government announced, in the same month, their decision to grant exemption from income-tax in respect of remittances of profits from abroad accruing to residents in India, provided, among other things, that (1) one-half of the amounts is invested, within three months of receipt, in Government of India securities to be deposited with the Reserve Bank of India for a minimum period of two years and (2) the remittances are received in India before April 1, 1954.

Two agreements were signed during the year by the Government of India, one with the Standard Vacuum Oil Company of New York and the other with the Burma Shell group of oil companies, for setting up two oil refineries at Bombay, with capacities of 1 million and 1.5 million tons, at estimated costs of \$ 35 million and Rs. 22 crores, respectively. The Government of India have given an assurance to the companies as regards exemption from compulsory acquisition for a specified period, while the companies, on their part, have assured Government that they would provide for the training and employment of Indian personnel in refinery operations.

In last year's Report, reference was made to Government's decision to convert industrial undertakings financed by them into private companies, statutory corporations or Boards of management working directly under Government supervision. In pursuance of this decision, the management of the Sindri Fertilizer Factory—the first Government-owned major development project to commence operations—was entrusted to a private limited company (the Sindri Fertilizers

[†] This Act, which came into force on May 8, 1952, will not apply to an industrial undertaking if the capital invested does not exceed Rs. 1 lakh.

and Chemicals Ltd.) on January 15, 1952. Another private limited company—the Hindustan Shipyard Ltd.—which took over the Visakapatnam ship-building yard from the Scindia Steam Navigation Co., Ltd. was also incorporated and registered under the Indian Companies Act in January 1952. The Government of India own two-thirds of the share capital of the company, while the remaining one-third has been taken up by the Scindias.

13. Food and Agricultural Policy.—Although the food situation continued to be difficult during 1951 with lower domestic production and procurement, it was kept under control by means of larger imports of foodgrains. In fact, it became possible to restore the foodgrains ration to 12 ounces in June, while the total number of rationed population increased slightly to 126.8 million at the end of 1951, as against 124.5 million a year ago. Last year, in view of the increasing strain on the Central Exchequer of the burden of food subsidies, the Centre's responsibility for subsidising imported foodgrains was restricted, as from January 1, 1951, to imported grains required for consumption in industrial towns and highly deficit areas. For the same reason, the pool prices of imported wheat and rice (coarse) were raised in July 1951. In view of the abnormal rise in the cost of subsidies (*vide* Table below) mainly as a result of larger imports at higher prices, it was decided to discontinue, as from March 1952, the food subsidy with certain exceptions. Special assistance was, however, to be extended to highly deficit States like Travancore-Cochin, while the pool prices of imported milo and certain varieties of rice were to continue to be subsidised. The Central budget for 1952-53 provides for a limited food subsidy of Rs. 15 crores. Government have since announced their intention to extend special assistance to relieve undue hardship, if any, as a result of the substantial reduction in the subsidy.

(Crores of Rupees)

	Financial Year ending March		
	1949-50	1950-51	1951-52†
Food subsidy on imported foodgrains	16.61	20.33*	36.66**
Procurement and inter-State export bonus	5.66	8.28	4.12
Total	22.27	28.61	40.78

† Provisional.

* Including enhanced export duty on jute goods bartered for foodgrains (Rs. 5.18 crores).

** Including enhanced export duty on jute goods bartered for foodgrains, loss on pool price of imported foodgrains and loss on supply of Iraqi dates (Rs. 20.85 crores).

The opening stocks of foodgrains with Government at the beginning of the year 1951 amounted to 0.73 million tons as against the corresponding figure of 1.58 million tons in 1950. Though the offtake from Government stocks in 1950 was slightly less than that in 1949, the lower level of imports during 1950 accounted for lower stocks at the beginning of 1951 (*vide* Table below).

(Thousands of Tons)

Calender year	Opening Stock	Procurement	Procure- ment as % of Offtake	Imports†	Imports as % of Offtake	Offtake from Govern- ment Stocks	Closing Stocks
1949	1,044	4,610	59.9	3,619	47.0	7,692	1,581
1950	1,581	4,617	61.1	2,085	27.6	7,554	729
1951*	729	3,770	48.6	4,596	59.2	7,762	1,333

Provisional.

Supplies made to the States out of imports and internal supplies minus exports from the surplus States out of their internal surpluses.

As a result of the extensive rationing commitments coupled with partial failure of crops, the ceiling import quota for 1951 was progressively revised, and 4.72 million tons were imported during 1951 as against 2.12 million tons in 1950. Substantial quantities of foodgrains were received from the U.S.A. during 1951 under the India Emergency Food Aid Act of 1951 passed by the U.S. Government on June 15, 1951, in terms of which India was granted a long-term loan of \$190 million for the purchase of 2 million tons of foodgrains in that country. The internal procurement of foodgrains during 1951 fell short of the target mainly as a result of bad harvests in parts of the country ; it amounted to 3.77 million tons as against 4.62 million tons during 1950. With a view, therefore, to stepping up the internal procurement of foodgrains, procurement prices were enhanced in several States in December 1951. The bonus scheme in respect of procurement and inter-State exports and imports was, however, discontinued from January 1952 as it did not show material results.

The Government of India have continued their efforts towards increasing food production in the country. In February 1952 they appointed a committee to enquire into the working of the Grow More Food Campaign since its inception and to recommend comprehensive measures necessary to ensure intensified food production in the country. Also, with a view to enhancing agricultural production, Government announced a long-term Ten-Year Land Transformation Programme, with which is merged the short-term Integrated Production Programme of August 1950 (*vide* para. 18 of the for Report 1950-51). This long-term programme aims at the utilisation of land on a rational basis with a view to developing to the maximum extent the available resources of land, water and livestock. In addition, under the Indo-U.S. Technical Co-operation Agreement of January 1952, a number of community development projects have been planned, which will cover almost all the aspects of rural development, including agricultural production. Besides, the productivity of the soil is sought to be enhanced by increased domestic supplies of fertilizers, which will be possible by the establishment of the Sindri Fertilizer Factory, which is expected to produce 350,000 tons of ammonium sulphate annually.

14. *Labour Policy.*—The year under review was marked by progress both in regard to industrial relations and labour welfare. During the year, there were no major industrial disputes with the result that the total number of man-days lost at 3.8 million was the lowest for any year since 1947-48. This compares with 12.6 million in 1950-51 and the peak figure of 14.7 million in 1947-48. Thus, the general improvement in the labour situation, noticed since the Industrial Truce Resolution of December 1947, continued during 1951-52. The establishment of a permanent Joint Consultative Board on Industry and Labour in July 1951, mainly to discuss specific problems concerning industry in general, such as rationalisation, productivity of labour and association of labour with management, and to take steps for implementing the agreed decisions, is expected to help this improvement further.

In the field of labour welfare, Government took important steps to improve the conditions of workers. A scheme of health insurance framed in accordance with the provisions of the Employees' State Insurance Act of 1948 (as amended* in September 1951), was inaugurated, in the first instance, in the two centres of Delhi and Kanpur on February 24, 1952. It is proposed to extend the

* An amendment to the Act was necessitated by certain objections raised by employers to its proposed regional implementation, which imposed contributions on employers in areas where the scheme was being implemented, but not in other regions, thus imposing on the former a competitive handicap. The amendment provided for the spreading of the incidence of the employers' contribution equitably on all employers throughout the country.

scheme to the whole country gradually by July 1954. The scheme, which is designed to benefit about 2.5 million workers when fully implemented, provides for cash benefits in case of sickness, maternity and employment injury and for limited medical treatment to the insured worker as well as for benefits to dependants in the form of pensions in the event of the worker's death. The administration of the scheme has been entrusted to an autonomous body called the "Employees' State Insurance Corporation". As regards contributions, the employees will pay their contribution depending on their wages only in those regions where the scheme is being implemented; employers in Delhi and Kampur, where the scheme has been applied in the first instance, will contribute 1½ per cent of the total wage bill, while employers in other places will currently contribute 1 per cent.

With a view to providing long-term security through establishment of compulsory provident funds for industrial workers, the Central Government promulgated an Ordinance on November 15, 1951, which has since been replaced by an Act passed in February 1952. The Employees' Provident Fund Act of 1952 provides for the institution, in the first instance, of contributory provident funds in six major organised industries, namely, textiles, iron and steel, cement, engineering, paper and cigarettes. The employee and the employer will each contribute 6½ per cent of the basic wage plus dearness allowance. The employee may, if the scheme framed under the Act so provides, contribute an amount not exceeding 8½ per cent. A scheme for implementing the Act has since been formulated and is expected to come into force shortly.

Other legislative measures adopted during the year to promote the welfare of industrial workers were (i) the enactment, in October 1951, of the Plantation Labour Act, which provides for the statutory regulation of working conditions of labour employed in the tea, coffee, rubber and cinchona plantations and (ii) the passing in February 1952, of the Indian Mines Act to consolidate the existing law relating to employment and conditions of work in the mining industry and to bring it in line with the provisions of the Factories Act of 1948. In terms of the Minimum Wages Act, 1948, some State Governments also fixed minimum wages for workers in several of the industries mentioned in the schedule to the Act, which included tea plantations in Bihar, Assam, the Punjab and West Bengal, coffee plantations in Mysore and Coorg and tanneries and leather factories in Madras and Mysore.

As regards industrial housing, the Central Government have provided for loans to State Governments amounting to Rs. 7 crores in the 1952-53 budget, as against Rs. 1 crore and Rs. 1.68 crores, respectively, during 1950-51 and 1951-52. It is proposed to introduce a subsidised industrial housing scheme, under which houses will be constructed by employers and the Central Government will pay a subsidy amounting to 20 per cent of the cost, subject to specified ceilings.

15. *Planning Commission's Draft Five-Year Plan*.—The Planning Commission, which was appointed in March 1950 and charged with the immediate task of preparing "a plan for the most effective and balanced utilisation of the country's resources", issued a working draft of the Five-Year Plan in July 1951. The Plan consists of two parts, involving a total outlay of Rs. 1,793 crores on development, mainly in the public sector, over the period 1951-52 to 1955-56. The first part of the Plan envisages an expenditure of Rs. 1,493 crores to be raised mainly from internal resources. The main objective is to restore the prewar availability of consumer goods by the end of the five-year period, taking into account the expected increase in population over the period.

The second part, of which details will be incorporated in the Commission's Final Report, is intended to ensure a somewhat higher rate of development and is estimated to cost an additional Rs. 300 crores; its implementation, however, would depend upon the availability of sufficient external finance.

The Plan takes into account the progress already made in the postwar years in regard to development projects and sets out a balanced scheme of priorities, which is broadly reflected in the distribution of expenditure in the first part of the Plan, as shown in the Table below :—

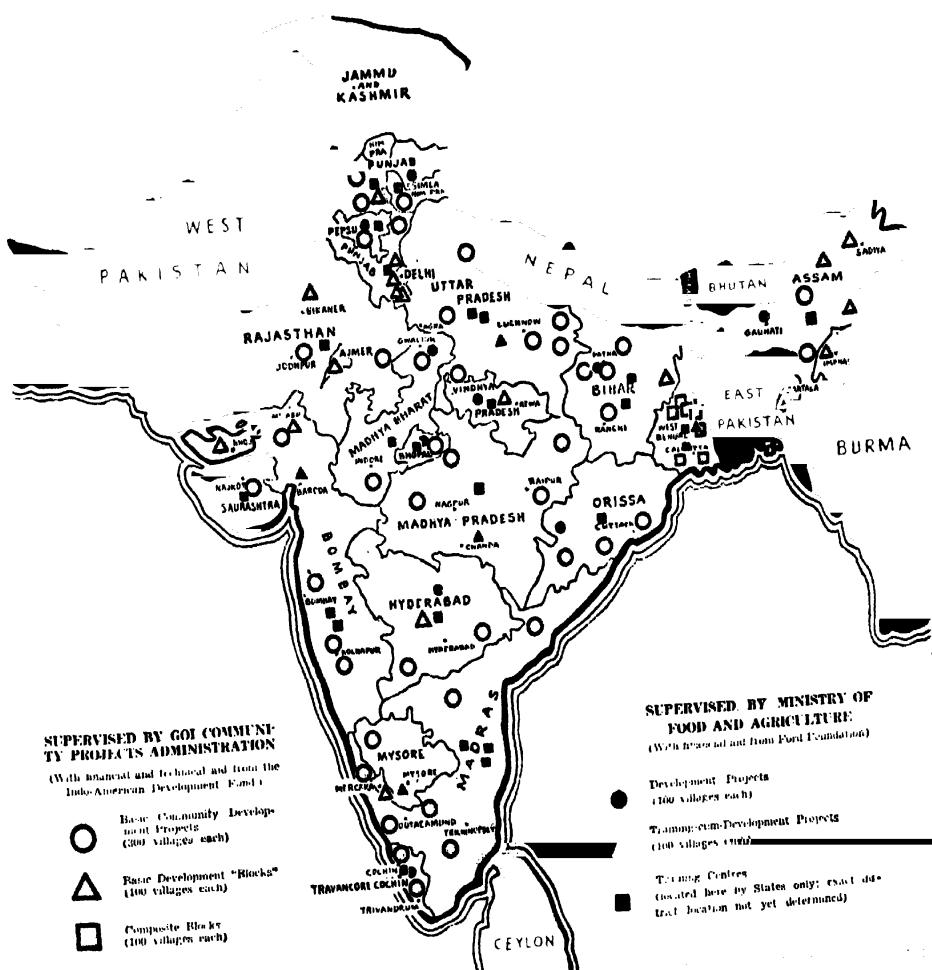
			Outlay during 1951-56	(Crores of Rupees)	Percentage to total outlay
1. Agriculture and Rural Development	...	...	191.69	12.8	
2. Irrigation and Power	...	...	450.36	30.2	
3. Transport and Communications	...	...	388.12	26.1	
4. Industry	...	...	100.99	6.7	
5. Social Services	...	...	254.22	17.0	
6. Rehabilitation	...	...	79.00	5.3	
7. Miscellaneous	...	...	28.54	1.9	
		Total	1,492.92	100.0	

Topmost priority has been given to agriculture, which together with irrigation and power accounts for 43 per cent of the expenditure. This is due to the country's urgent need to step up agricultural production and in particular the production of foodgrains. The output of foodgrains is to be raised by 7.2 million tons; of raw cotton by 1.20 million bales and of raw jute by over 2 million bales. Irrigation and power projects are calculated to irrigate an additional area of 8.8 million acres and raise the production of power by 1.1 million kilowatts, representing an increase of 20 per cent in the country's irrigated area and of 70 per cent in its power potential.

The Plan allocates to development of industry Rs. 100.99 crores or 6.7 per cent of the total expenditure envisaged in the first part. According to the Commission, as the bulk of the resources available during the period of the Plan will be employed in the development of agriculture, irrigation and power, it will not be possible for the State to make large investments directly in industry, and therefore industrial development will remain mainly the responsibility of the private sector. The Commission has ruled out, for the present, nationalisation on a large scale. Of the Rs. 100.99 crores allocated to industry, about one-third will be earmarked for assistance to private agencies for steel expansion, ship-building, newsprint and small-scale industries, and the balance would represent expenditure on State-owned enterprises. Industrial production is expected to be accelerated, raising the annual production of mill cloth to 4,500 million yards and of hand-loom cloth to 1,900 million yards; the output of jute manufactures is estimated to rise by about 25 per cent over its present level; of steel from 1.0 million tons to 1.3 million tons and of cement from 2.6 million tons to 4.6 million tons.

Community Development Areas And Training Centres

Showing Location of Selected Projects and Blocks Under
India's New Community Development Programme



By courtesy of the American Reporter, New Delhi.

WHERE PROJECTS ARE BEING LOCATED

PART "A" STATES

ASSAM

Community Projects Administration

1. Project—Cachar District
2. Project—Darrang District
3. Block tribal area
4. Block tribal area
5. Block—Northeast Frontier Agency

Food Ministry

6. Project—Kamrup District
7. Training centre—location not yet assigned

BIHAR

Community Projects Administration

1. Project—Darbhanga, Mongir, Districts
2. Project—Saharsa District
3. Project—Ranchi District
4. Project—Patna District
5. Block—Santhal Parganas District

Food Ministry

6. Project—Patna District
7. Training centre—location not yet assigned
8. Training centre—location not yet assigned

BOMBAY

Community Projects Administration

1. Project—Mehana District
2. Project—Koilapur District
3. Project—Thane Kolaba District
4. Project—Belgaum District
5. Block—Satarkonha District

Food Ministry

6. Project with training centre—Anand
7. Training centre—location not yet assigned
8. Training centre—location not yet assigned

MADHYA PRADESH

Community Projects Administration

1. Project—Raipur District
2. Project—Ho.hangabali District
3. Project—Amravati District
4. Project—Area covered in Madhya Pradesh

Food Ministry

5. Project with training centre—Chanda District
6. Training centre—location not yet assigned

MADRAS

Community Projects Administration

1. Project—Kurnool Cuddapah Districts
2. Project—Coimbatore District
3. Project—Malabar District
4. Project—East Godavari District
5. Project—South Kanara District
6. Project—Madras District

Food Ministry

7. Training centre—location not yet assigned
8. Training centre—location not yet assigned
9. Training centre—location not yet assigned

ORISSA

Community Projects Administration

1. Project—Kaimakhali District
2. Project—Cuttack District
3. Project—Ganjam District

Food Ministry

4. Project—Bolangir District
5. Training centre—location not yet assigned

PUNJAB

Community Projects Administration

1. Project—Gurdaspur District
2. Project—Ambala District
3. Project—Jullundur District
4. Block—Nilokheri
5. Two Blocks—Hariballab

Food Ministry

6. Training centre—location not yet assigned
7. Training centre—location not yet assigned

UTTAR PRADESH

Community Projects Administration

1. Project—Gorakhpur District
2. Project—Azamgarh District
3. Project—Faizabad District
4. Project—Maujpur District
5. Project—Jhansi District
6. Project—Almora District

Food Ministry

7. Project with training centre—Lucknow District
8. Training centre—location not yet assigned
9. Training centre—location not yet assigned

WEST BENGAL

Community Projects Administration

1. Block (composite)—Birbhum District, Sadar Subdivision
2. Block (composite)—Birbhum District, Sadar Subdivision
3. Block (composite)—Birbhum District, Rampurhat Subdivision
4. Block (composite)—Burdwan District, Burdwan-Sadar Katwa
5. Block (composite)—Burdwan Sadar
6. Block (composite)—24 Parganas District, Sadar Subdivision
7. Block (composite)—Midnapore District, Sadar Subdivision
8. Block (composite)—Nadia District, Sarker Subdivision (Fullia)

Food Ministry

9. Project with training centre—Burdwan District
10. Training centre—location not yet assigned
11. Training centre—location not yet assigned

Action was taken during 1951-52—the first year of the Plan—to implement the recommendations of the Planning Commission both by the Centre and the States. In all the Part 'A', 'B' and 'C' States, inter-departmental Planning Committees have been set up to co-ordinate the work of planning; some States have, in addition, appointed Planning Boards, consisting of officials and non-officials. The Central Government's budgets for 1951-52 and 1952-53 have followed closely the pattern of outlay envisaged in the Plan, although expenditure in the States has been below the levels planned. The Railways too have been able to provide for development expenditure out of their current earnings. An analysis of the Central and State budgets as well as of railway expenditures showing developmental outlays and finance will be found in para. 59.

A major development relating to planning during the year was the conclusion, in January 1952, of the Indo-U.S. Technical Co-operation Agreement, which would, among other things, facilitate the implementation, on an expanded scale, of the Community Development Projects (*vide* the Map facing page 36), as envisaged by the Planning Commission. It is proposed to start work immediately on 55 community project centres, covering a population of around 10 million. The U.S. Government have agreed to make a contribution of \$50 million to which the Government of India will add a substantial amount in rupees as its own contribution. The two Governments have since signed eleven operational agreements providing finance to different projects as shown below :

	U.S. Contribution (Millions of Dollars)	Indian Expenditure (Lakhs of Rupees)
	1	2
1. Supply of Fertilizers	10·65	44·00
2. Supply of Iron and Steel	8·39	12·00
3. Locust Control	0·23	2·48
4. Research on Soil and use of Fertilizers	0·20	8·43
5. Development of Marine Fisheries ...	2·46	68·95
6. Groundwater Irrigation (2000 tubewells)	13·70	4,44·50
7. Training of Village Level Workers ...	0·17	75·37
8. Community Development Programme	8·67	34,38·34
9. Malaria Control	0·65	0·37
10. Forest Research and Desert Control ...	0·10	2·08
11. River Valley Schemes	4·78	5·00
Total ...	50·00	41,01·52

16. *Census, 1951.*—According to the final figures of the 1951 Census, the population of India (excluding the State of Jammu and Kashmir and Part 'B' tribal areas of Assam) totalled 356.83 million, indicating an increase of 42.06 million over the population in 1941. The mean decennial rate of growth for the decade ended 1951 works out at 12.5 per cent, which is lower than that for the 1931-41 decade. Among individual States, it varied from -0.5 per cent in the

Punjab to +62.1 per cent in the State of Delhi. Higher rates were recorded by the States of Bombay (20.8 per cent), Travancore-Cochin and Mysore (21.2 per cent each) and Assam (17.4 per cent). In Orissa, Madhya Pradesh and Bihar, the respective rates were somewhat lower at 6.2 per cent, 7.9 per cent and 9.6 per cent.

The latest Census revealed a marked bias towards urbanisation. The urban population of India totalled 62 million or about 17 per cent of the total population as against 44 million or 14 per cent of the total in 1941. A major part of the growth in urban population has taken place in the cities (with a population of 1,00,000 and above). Over the decade, the number of such cities increased from 48 to 75, and their population from 14.6 million to over 24 million. In the larger cities like Bombay, Poona, Bangalore, Madras, Calcutta and Delhi, the population increases ranged between 19 per cent and 63 per cent.

The entire population of the country has been divided into two broad livelihood categories, namely, 'agricultural' and 'non-agricultural' (vide Graph 5). In 1951, agricultural workers and their dependants totalled 249.1 million or 69.8 per cent of the total population, and non-agricultural workers and their dependants 107.6 million or 30.2 per cent. Among the nine Part 'A' States, the percentage of agricultural population to total population was the lowest in West Bengal (57.2), followed by Bombay (61.5) and Punjab (64.5), the State of Bihar showing the highest percentage of 86.0.

II. PRODUCTION AND PRICES

A. PRODUCTION

17. *Agriculture.*—(1) *Foodgrains.*—During the year 1950-51 (July-June), efforts were continued to increase food production under the re-orientated Grow More Food Campaign, which was merged into the Integrated Production Programme (as announced in August 1950) covering, in addition to foodgrains, raw cotton, jute and sugar. As a result, agricultural production on the whole showed improvement. Owing to unfavourable climatic conditions during the year, however, total production of cereals sharply decreased from 46.02 million tons in 1949-50 to 41.72 million tons in 1950-51 (vide Statement 12). The year's *kharif* crop was adversely affected as a result of both floods and drought in parts of the country, the loss in foodgrains being rather heavy. The out-turn of wheat, barley and gram showed only a slight improvement. During the year 1951-52 (July-June) also, a belt of 300 miles in breadth stretching in the north-easterly direction from North Gujarat and Saurashtra to south of the Punjab was affected by a spell of drought from the third week of August, causing damage to standing *kharif* crops and delaying the sowing of *rabi* crops. Scarcity conditions prevailed in certain areas like Rayalaseema in Madras, Sunderbans in West Bengal, Hissar District of the Punjab, the *Bhil*-inhabited tracts of Madhya Pradesh, Eastern Districts of Uttar Pradesh and parts of Rajasthan, Saurashtra and North Gujarat. In consequence the food production in 1951-52 is not likely to show material improvement over that in 1950-51.

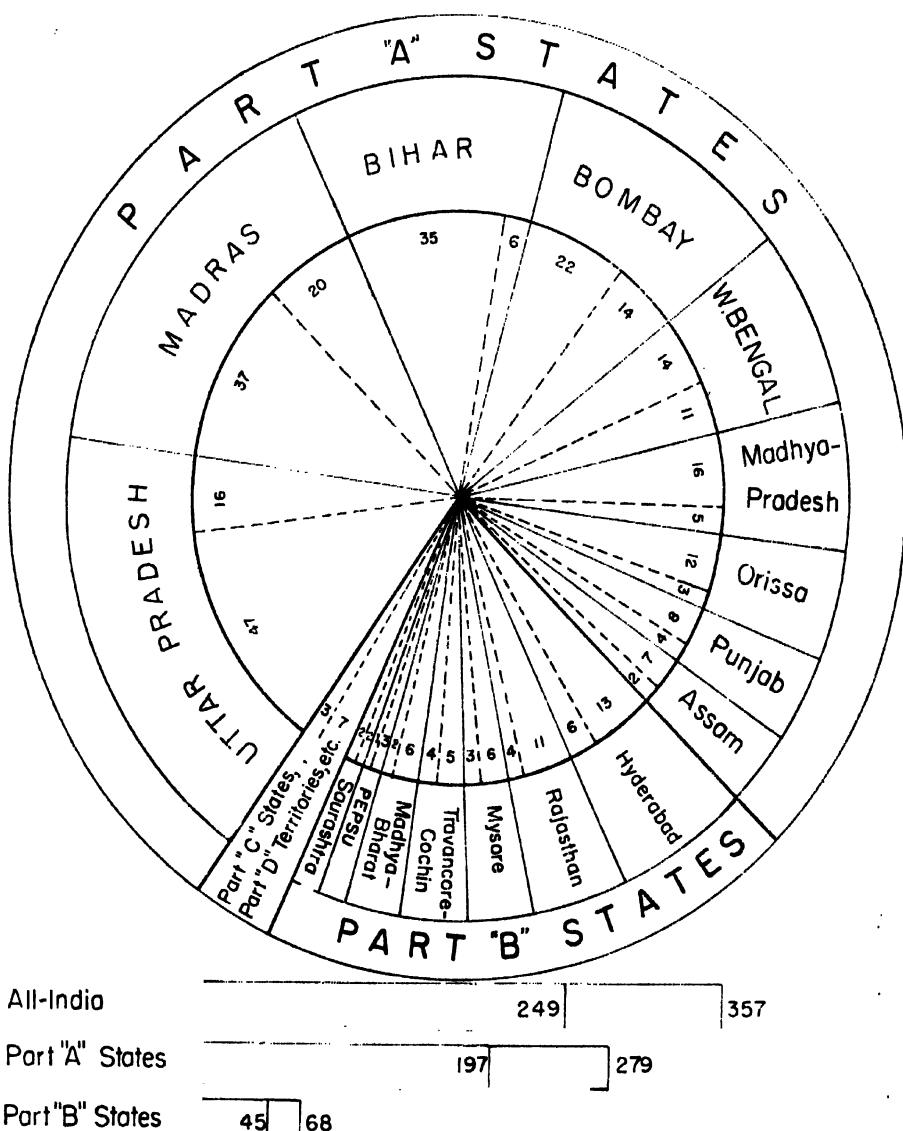
A sum of about Rs. 18 crores was sanctioned from the central budget for the Grow More Food Campaign during 1951-52. Of this, Rs. 7.45 crores were to be allocated in the form of grants and the rest in the form of loans.

GRAPH 5

AGRICULTURAL AND NON-AGRICULTURAL POPULATION

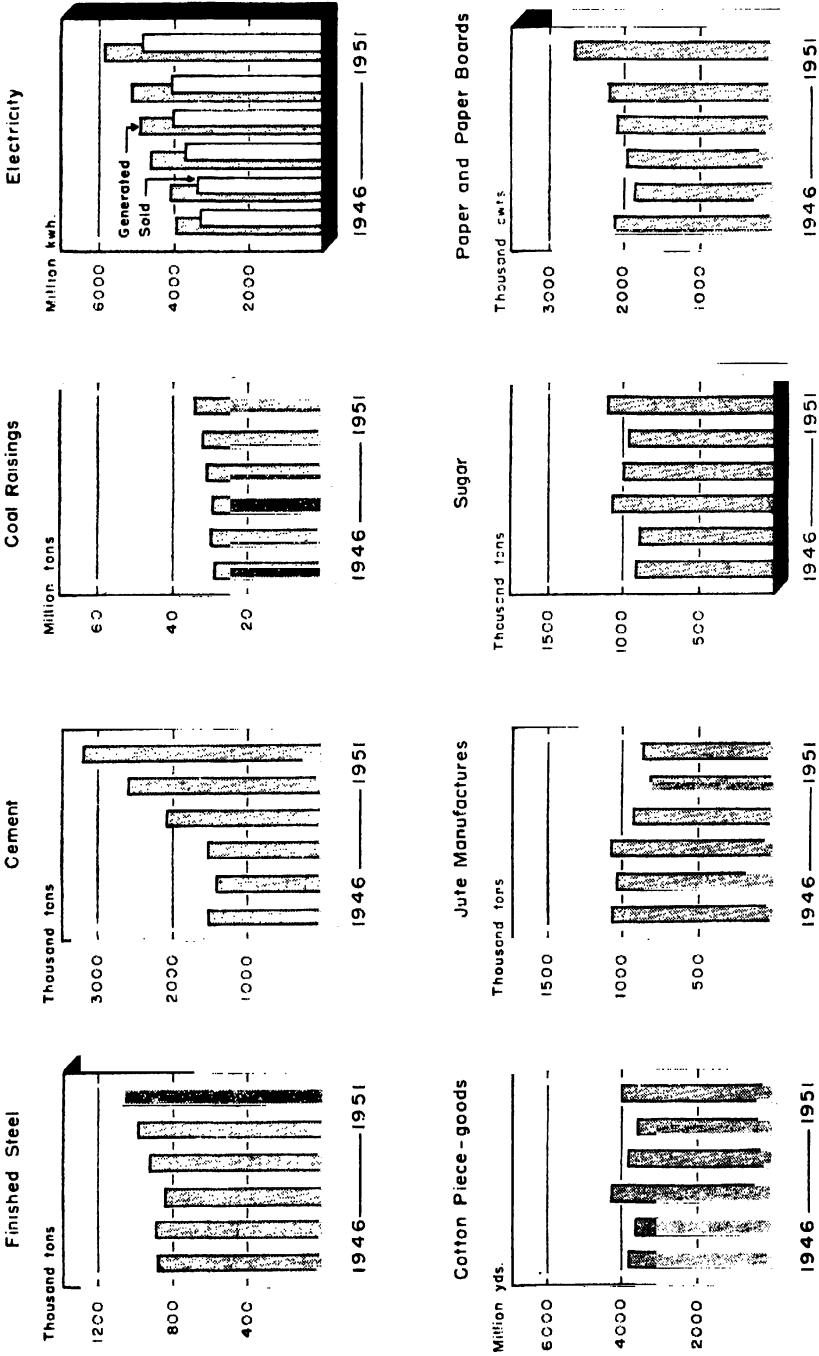
1951 Census

(Figures in Millions)



 Agricultural Population
 Non-agricultural Population

INDUSTRIAL PRODUCTION IN INDIA



(2) *Other Agricultural Products.*—(a) *Cotton.*—The various measures taken in 1950-51 to increase production of cotton, which had been in short supply, were continued in 1951-52 also. These measures consisted of further removal of restrictions on the growing of cotton, remission of land revenue in respect of additional lands brought under cotton cultivation, extension of irrigation facilities to cotton lands by State Governments, grant of loans for the purchase of ammonium sulphate and supply of fertilizers at subsidised rates. As a result of these measures, the production of cotton increased from 26.28 lakh bales in 1949-50 to 29.26 lakh bales in 1950-51 (*vide Statement 13*). The production of cotton during the year 1951-52 is expected to be higher than in 1950-51.

(b) *Jute.*—As a result of the drive for expansion of raw jute production, which included measures like intensive cultivation of existing areas, utilisation of fallow and double-cropped lands and some diversion of land from other crops to jute, the production of jute increased from 33.01 lakh bales in 1950-51 to 46.78 lakh bales in 1951-52.

The following Table shows the targets for increased production under the Integrated Production Programme launched in August 1950 and the results achieved so far :—

	Targets under Integrated Production Programme		Actual increase (+) or decrease (-) in production	
	1950-51	1951-52	Production in 1950-51 as compared to 1949-50	Production in 1951-52 as compared to 1950-51
Foodgrains † (lakhs of tons) ...	17	14	- 42.95*	..
Cotton (lakhs of bales—392 lbs. per bale) ...	6	7	+ 2.98	..
Jute (lakhs of bales—400 lbs. per bale) ...	12	13	+ 2.12	+ 13.77

† Total cereals (including small millets, but excluding gram).

* The overall damage to crops as a result of unfavourable climatic conditions was estimated at 55 lakh tons during the year 1950-51.

(c) *Sugar (Raw).*—The dual price policy in respect of sugar, together with the various development schemes for stepping up production of sugarcane, was mainly responsible for an increase in the production of raw sugar from 4.9 million tons in 1949-50 to 5.5 million tons in 1950-51.

(d) *Oilseeds.*—The production of the five major oilseeds (groundnut, linseed, castorseed, sesamum and rape and mustard) increased slightly from 51.42 lakh tons in 1949-50 to 51.73 lakh tons in 1950-51.

18. *Industry.*—After the slight setback noticed during 1949 and 1950, in industrial production showed a marked improvement during 1951, the official general index of industrial output (base : 1946=100) rising to 117.4, as against 105.2 in 1950 and 106.3 in 1949. While the postwar uptrend was maintained in the basic industries, such as coal and steel and in the ancillary machine industries like diesel engines and power transformers, the year under review witnessed substantial

rises in most consumer goods industries, including cotton and jute textiles which had registered declines in the preceding two years. A feature of the year was the starting of new industries for the manufacture of linoleum, automatic looms, carding engines and aluminium powder.

Among the consumer goods industries, the production of cotton cloth and yarn rose by about 11 per cent each to 4,076 million yards and 1,204 million pounds, respectively, and that of jute manufactures by 4.7 per cent to 874,800 tons (*vide* Statement 14 and Graph 6); the output in these had fallen by 6.1 per cent, 13.6 per cent and 11.7 per cent, respectively, during 1950. In the sugar industry, where the policy of permitting free market sales above a prescribed quota was continued, with certain modifications, the output rose by 14.3 per cent from 9.8 lakh tons in the 1949-50 season to 11.2 lakh tons in 1950-51; in the current 1951-52 season, it amounted to 14.3 lakh tons by end-May 1952. Other industries in this group, which recorded appreciable rises, included salt (4.3 per cent), matches (10.8 per cent), paper and paper boards (21.1 per cent), electric lamps (8.5 per cent) and electric fans (9.9 per cent). A notable exception was provided by woollen manufactures, which showed a decline of 1.7 per cent.

As regards basic industries, the output of coal rose by 7.2 per cent to 34.3 million tons and of cement by 22.3 per cent to 3.2 million tons. Finished steel at 1.07 million tons was also higher than the 1950 figure of around 1 million tons over by 7 per cent. Among the ancillary machine industries, the production of diesel engines, machine tools, electric motors and power transformers went up by 57.7 per cent, 77.8 per cent, 73.5 per cent and 13.3 per cent, respectively. In the chemicals group, the production of superphosphates showed an improvement of 16.4 per cent, and of sulphuric acid of 4.3 per cent. The output of caustic soda and soda ash rose by 35.7 per cent and 8.6 per cent, respectively. Ammonium sulphate also showed a rise of 11.4 per cent, mainly as a result of the coming into operation, in October 1951, of the fertilizer factory at Sindri.

Excepting a few basic industries (*e.g.* steel and cement), and some others (*e.g.*, paper and paper boards and electric motors), substantial surplus productive capacities continued to exist in a majority of the remaining industries especially chemicals, mainly owing to inadequate supplies of raw materials. All the same, there was a fuller utilisation of the overall industrial capacity in 1951, relatively to the preceding year mainly because of improved industrial relations. For instance, the total number of man-days lost in 1951 was 3.6 million as against 12.8 million during 1950. Other factors, which contributed to the rise in production, included (1) the installation of additional units in some industries and expansion of existing units in some others, (2) the larger availability of essential raw materials resulting from the liberalisation of import restrictions, as well as higher domestic output of raw jute and cotton in consequence of the Integrated Production Programme (*vide* para. 17), (3) the upward revision of prices permitted, among others, in respect of pig iron, steel and cloth, to meet higher costs of raw materials and replacement and (4) the continued improvement in transport, as reflected in an increase of 12.1 per cent in the number of wagons loaded by Indian railways.

During the year, Government continued their efforts to secure larger supplies of raw materials and their equitable distribution within the country. Measures taken to make available to the cotton textile industry adequate supplies of raw cotton included (1) the grant in June 1951 of an increase of Rs. 50 per candy in the basic ceiling prices for the 1951-52 season over the 1950-51 ceilings, (2) the introduction, with effect from October 16, 1951, of a new system of licensed

trading in cotton and (3) Government's decision to issue licences for import of cotton amounting to 16 lakh bales for the 1951-52 season, as against actual imports of about 8 lakh bales in the preceding season. Action was also taken to encourage upcountry mills to step up their output by making available to them larger supplies of cotton and by permitting them to work additional shifts in order to make good the deficiency caused by the power cut imposed by the Bombay Government in October 1951; a part of the loss in output was also made good by the installation of generating plants by some Bombay mills. Further, the partial restoration of the cut, announced in December 1951, enabled mills to avert the proposed suspension of production between February and June 1952. As regards raw jute, the resumption of trade with Pakistan following the conclusion of the Trade Agreement in February 1951 (*vide* para. 77 of the Report for 1950-51), coupled with a rise of 42 per cent in the domestic output of raw jute and the dehoarding which followed the removal of price control in March 1951, resulted in a substantial improvement in the supply position. Receipts in terms of the Indo-Pakistan Trade Agreement amounted to around 20 lakh bales upto the end of December 1951. This improvement enabled the jute industry to restore its weekly working hours to 48 as from December 10, 1951. Allocations of essential raw materials by the International Materials Conference also helped to alleviate to a limited extent difficulties in the supply of scarce materials like sulphur and non-ferrous metals.

Other measures taken during the year to encourage industrial production were the establishment in July 1951 of a Joint Consultative Board on Industry and Labour to deal with questions relating to rationalisation and related problems, and the enactment in September 1951 by Parliament of the State Financial Corporations Act to enable State Governments to set up their own industrial financial corporations to assist medium and small-scale industries. The Industrial Finance Corporation of India continued to grant financial accommodation to industries for medium and long-term requirements (*vide* para. 41). Two other important legislative measures concerning industries were also enacted during the year. In September 1951, Parliament passed the Tariff Commission Act, 1951, which provided for the establishment of a statutory Tariff Commission to enquire into the claims for protection of Indian industries, in place of the existing Tariff Board (*vide* para. 97). The Industries (Development and Regulation) Act, 1951, which envisages regulation of industry as a corollary to planned development, was passed in October 1951 (*vide* para. 12).

During the last quarter of the financial year 1951-52, after a decline of 4.1 per cent to 122.9 in January, the index of industrial production rose to 128.3 in February and stood at 124.1 in March 1952. In the closing months of the year, cotton and jute mills were reported to have accumulated large stocks as a result of slackening in both domestic and foreign demand. With a view to preventing further accumulation of stocks, member mills of the Indian Jute Mills Association reverted to the 42½-hours week as from March 31. Some textile mills in Ahmedabad, Bombay and elsewhere also gave notices to close one or more shifts. To meet this situation, the Government of India announced, beginning from mid-March, a series of measures to assist producers to liquidate accumulated stocks and to maintain current production (*vide* para. 19).

B. PRICES

19. *Price Trends.*—The Indian price level experienced a sharp upswing from June 1950, mainly as a result of the operation of external factors following the outbreak of the Korean War. The post-Korean rise became more marked in

India, as in other countries, in the early months of 1951, the general price level rising to a peak level by mid-April 1951. Thereafter, mainly as a result of the combined effect of international developments as well as of the domestic stabilisation measures, the price situation in India showed a steady improvement, the decline in prices, becoming somewhat pronounced in the closing months of the year. The Economic Adviser's general index of wholesale prices (*base* : year ended August 1939 = 100), which had risen from 397.1 on June 24, 1950 (pre-Korean War level) to 449.6 by the end of March 1951, advanced further to the peak figure of 462.0 by mid-April 1951. It declined steadily to 428.8 at the end of January 1952 and, after a period of rapid fall, to 378.2 at the end of March 1952 (*vide* Statements 15 and 16 and Graphs 7 and 8). Over the year 1951-52, the general price level showed a decline of 15.9 per cent as against a rise of 15.0 per cent during 1950-51.

The post-Korean upswing originated abroad owing to a world-wide scramble for scarce raw materials and other essential goods, which resulted in suddenly inflating the demand for some of the country's export commodities. Speculation in these, particularly in the uncontrolled commodities, received encouragement. Between June 24, 1950 and mid-April 1951, the wholesale price indices of several export commodities, e.g., castorseeds, raw hides, leather, raw wool, black pepper, linseed and groundnuts showed sharp rises. Castorseeds rose by 78.0 per cent, raw hides by 64.0 per cent, leather by 62.4 per cent, raw wool by 51.9 per cent, black pepper by 22.6 per cent, linseed by 21.3 per cent and groundnuts by 11.4 per cent. Raw jute and jute manufactures showed spectacular increases of 192.3 per cent and 92.3 per cent, respectively, which reflected in part the effect of the removal of price control on these goods with effect from March 9, 1951. During the same period, the Reserve Bank's export price index (*base* : 1948-49 = 100) showed a sharp rise of 39.1 per cent. The import price index also rose by 29.1 per cent.

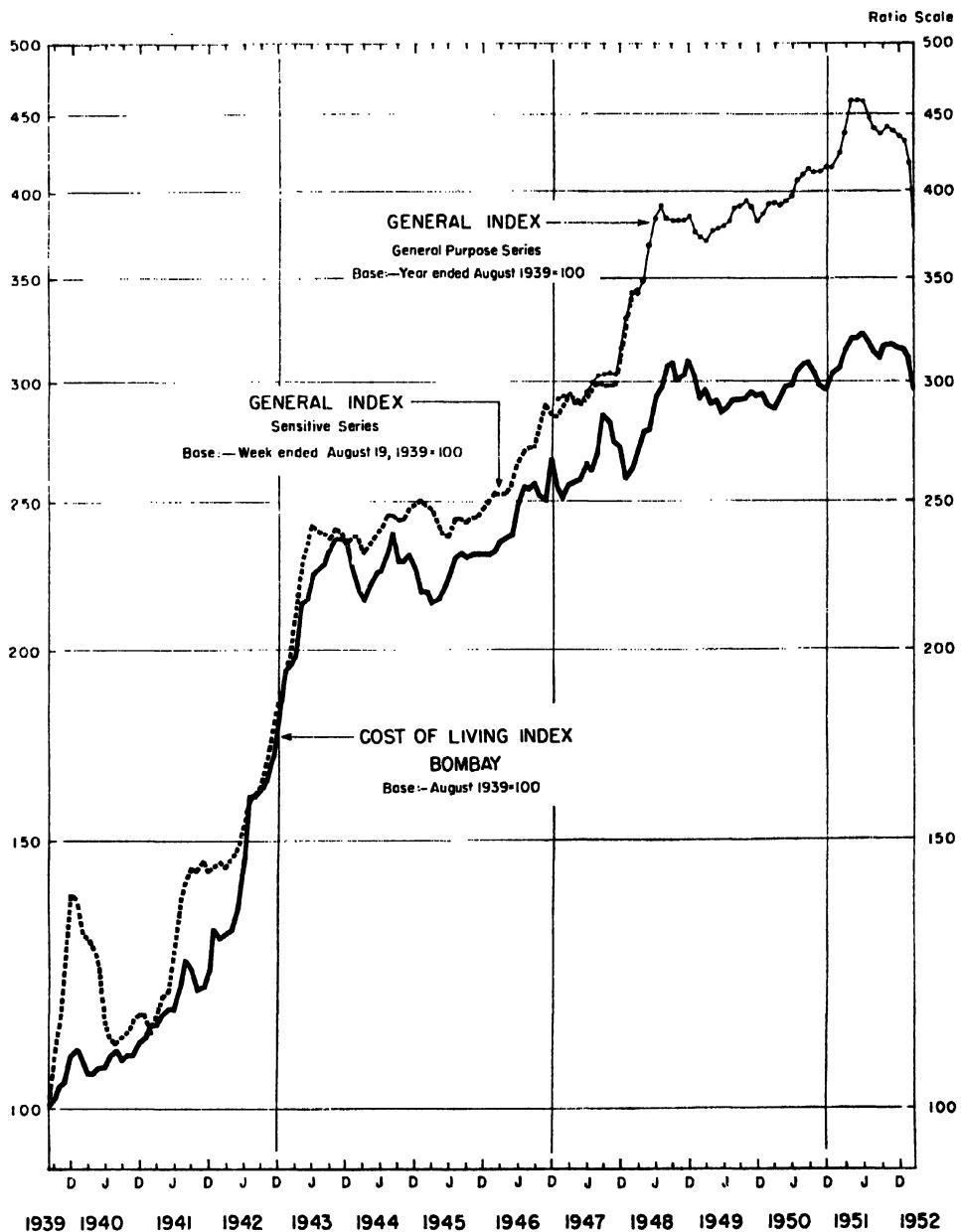
Notwithstanding the similarity in price trends in India and abroad, the post-Korean rise in domestic prices was less marked than in many other foreign countries, while the subsequent decline has been relatively more pronounced. The rise in prices between June 1950 and April 1951 was 15.7 per cent in India, as against 23.9 per cent in the U.K., 20.6 per cent in Australia and 16.8 per cent in the U.S.A., while the decline in the subsequent months upto March 1952 amounted to 17.6 per cent in India, as against 2.7 per cent in the U.S.A.; the price levels in the U.K. and Australia, on the other hand, showed further rises of 4.8 per cent and 12.7 per cent, respectively, during the same period.

With a view to compensating producers for the rise in production costs, which in some cases was due to higher prices of imported materials, and encouraging larger production, Government permitted increases in the prices of certain controlled commodities. These included raw rubber, raw cotton, steel, galvanised sheets, wires and tin plates, pig iron, foodgrains, petroleum products and cotton textiles. The controlled price of raw rubber (Group I), which was raised on March 7, 1951, as an interim measure, from Rs. 90.8 to Rs. 122.8 (per 100 lbs.) was further increased to Rs. 128.0 for a period of one year from May 21, 1951. The basic ceiling prices of raw cotton for the 1951-52 season were raised by Rs. 50 per *candy*. In steel, the *retention** prices paid to the main producers were increased by Rs. 33 per ton for a period of three years effective from July 1, 1951, while the statutory selling prices of galvanised sheets, galvanised wires and tin plates were increased by Rs. 100, Rs. 60 and Rs. 150 per ton, respectively. The increases in pig iron

* Retention prices represent the costs of production plus a reasonable margin of profit.

GRAPH 7

INDEX NUMBERS OF WHOLESALE PRICES AND COST OF LIVING



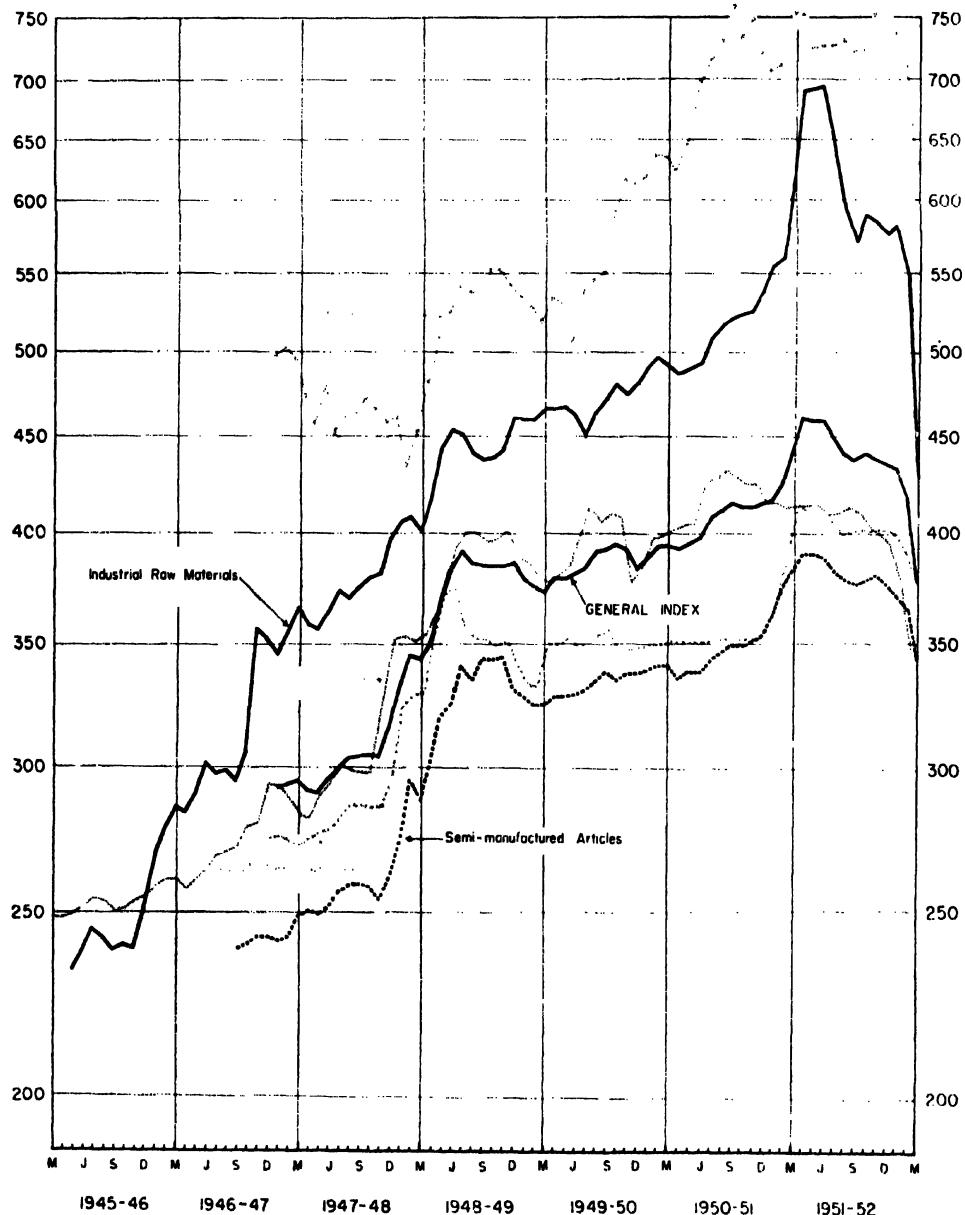
GRAPH 8

INDEX NUMBERS OF WHOLESALE PRICES

GENERAL PURPOSE SERIES

Base—Year ended August 1939 = 100

Ratio Scale



prices which took effect from August 1, 1951 ranged between Rs. 16 and Rs. 26 per ton. The Central Government also increased the issue prices of wheat by Rs. 2 per maund and of rice by 11 annas per maund from July 9, 1951. Prices of petroleum products were raised, as from January 19, 1952, by $\frac{1}{2}$ annas per gallon of kerosene oil, $\frac{1}{4}$ anna per gallon of motor spirit and 4 annas per gallon of aviation spirit. In the case of cotton cloth, the controlled prices continued to be revised each quarter on the basis of the ruling cotton prices in Bombay during a specified period. The 4 per cent cut voluntarily accepted by the textile industry in November 1949 was also restored, with effect from April 1951, in so far as it related to certain varieties of coarse and medium cloth, a similar cut in cotton yarn having been restored earlier in March 1951.

From mid-April 1951, the general price level in India started moving downward. As already indicated, the decline was particularly pronounced in the closing months of the year, owing to a sharp break in commodity prices. The Economic Adviser's general index moved down to 428.8 by the end of January 1952, after which it declined precipitately to 364.9 by the middle of March. In the latter half of March, however, prices showed a measure of recovery, the general index moving up to 378.2 by March 29, 1952; the effective decline since mid-April 1951 to end of March 1952 was thus of the order of 18 per cent.

International factors, in particular the modification of the U. S. stockpiling programme in March 1951 and the larger availability of supplies (*vide* para. 2), appear to have been chiefly responsible for the beginning of the downtrend. The prices of non-strategic raw materials and of other commodities subject to speculative pressures were the first to be affected. Following the Korean truce proposals in June 1951, the downtrend became somewhat more pronounced and gradually spread to other groups. While the international forces were thus exerting a downward pressure on commodity prices, the cumulative effects of internal stabilisation measures taken by Government were also beginning to be felt. These disinflationary measures included (1) the adjustments made in Government's trade policy, which combined with higher production at home, resulted in larger availability of supplies, (2) the continuation of the various control measures, with necessary modifications (*vide* para. 11), (3) the imposition or enhancement of export duties on certain commodities, such as oilseeds, vegetable oils and medium and coarse cloth (*vide* para. 93), (4) a substantial surplus on revenue account and (5) the raising of the Bank rate and the adoption of other measures of monetary control from mid-November 1951.

While the disinflationary measures undoubtedly helped to sustain the downtrend initiated earlier by international developments, the rather precipitate decline in prices in the closing months of 1951-52 reflected partly the effects of speculative over-trading and heavy accumulation of stocks in certain primary and other commodities, including some which enter into the country's export trade. During the latter half of 1951, there was a substantial decline in the quantum of exports of oilseeds, edible oils, lac, mica, hides and skins and manufactures. The resulting large-scale cushioning coupled with higher current production would appear to have accentuated the general fall in prices. The authorities continued to watch the situation to ensure that production and employment were not affected. The recovery noticed during the latter half of March followed the measures taken by Government in the direction of abolition of or reduction in export duties on certain commodities, such as raw cotton, raw wool, groundnut oil, kardisseed and nigerseed, relaxation of export controls

on certain others, such as jute goods and cotton textiles and of liberalisation of domestic controls over some goods, which included raw cotton and cloth.

The index of industrial raw materials, which had shown the largest rise of 41.6 per cent since Korea until mid-April 1951, also showed the largest decline, slumping by about 36.1 per cent. by end-March 1952. Among the other groups, 'food articles' fell by 18.1 per cent, 'semi-manufactures' by 12.7 per cent, 'manufactures' by 7.4 per cent and the 'miscellaneous' group by 25.1 per cent. It may be noted that the decline under 'industrial raw materials' and most other groups has been more marked in commodities of a non-strategic character, such as raw jute, jute manufactures, leather, tea, raw hides, oilseeds, vegetable oils and black pepper. Between mid-April 1951 and end-March 1952, raw jute declined by 57.9 per cent, jute manufactures by 48.3 per cent, leather by 48.0 per cent, tea by 46.6 per cent, raw hides by 42.5 per cent, oilseeds by 41.1 per cent, vegetable oils by 40.4 per cent and blackpepper by 33.4 per cent. On the other hand, prices of strategic materials like manganese ore and metals generally maintained their up-trend, owing to their importance in armament production. The price decline also did not affect manufactured articles generally, some of them in fact showing a net rise. Statement 16(A) shows the indices of certain selected commodities as at the end of March 1952 and compares them with those as on September 17, 1949 (pre-devaluation), June 24, 1950 (pre-Korean War), April 14, 1951 (post-Korean peak) and January 26, 1952 (since when the precipitate decline commenced).

As regards cost of living, at almost all the centres a downtrend was in evidence, which commenced sometime between May and December 1951. The extent of the fall varied at the different centres, but was relatively more marked in Ahmedabad and Cuttack. The downtrend generally resulted from the falling trend in 'food' prices, the decline at the various centres in the component 'food' group being more noticeable than that in the overall cost of living indices. In general, the decline in living costs was relatively less than that in wholesale prices. In Bombay City, the downtrend in the cost of living commenced in June 1951 and by March 1952, the cost of living index (*base*: August 1939 = 100) had declined from the peak level of 321 to 298—a level which was very near the pre-Korean War level of 297. During 1951-52, the Bombay cost of living index registered a decline of 5.7 per cent, as against a rise of 9.7 per cent during 1950-51.

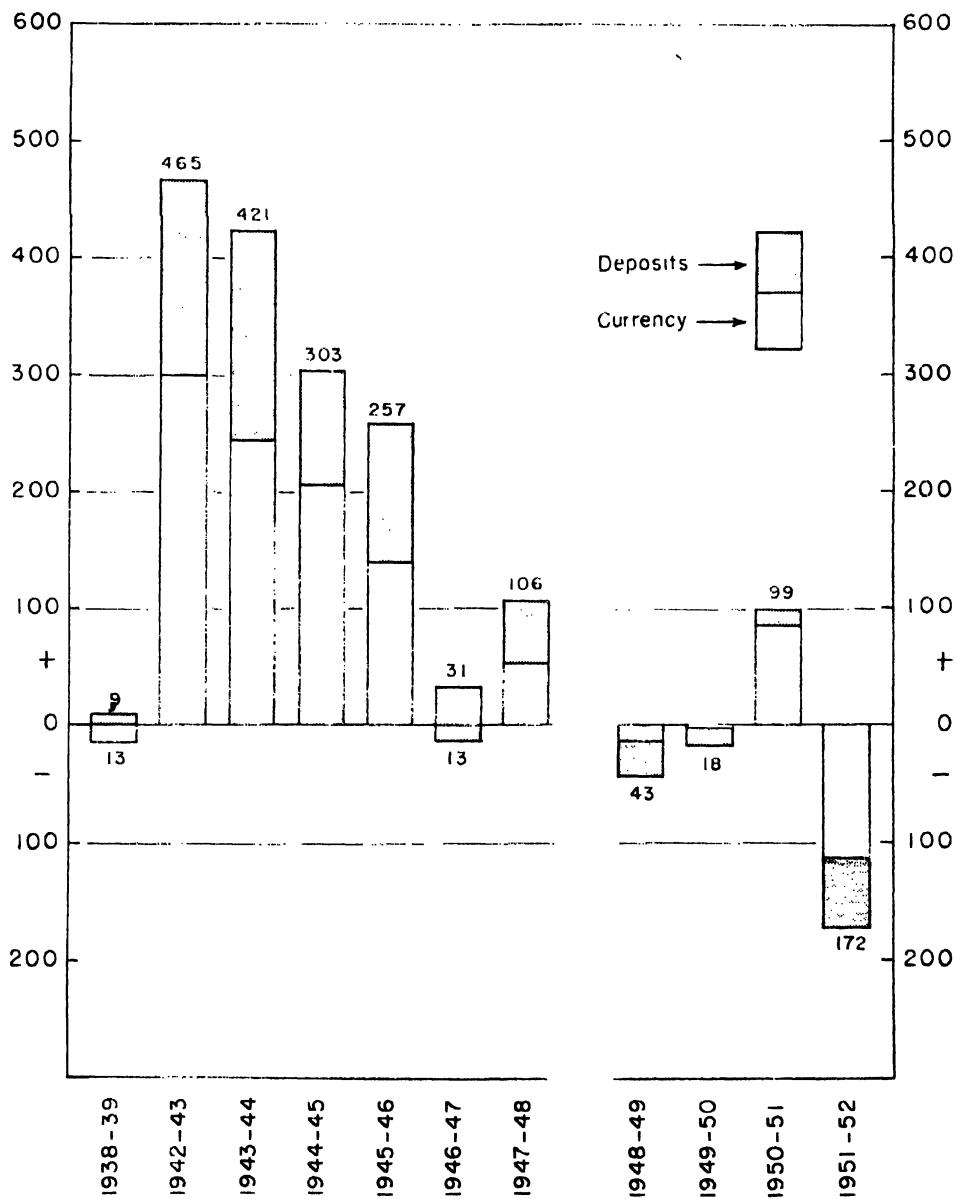
III. MONEY SUPPLY

20. *General.*—The money supply situation during 1951-52 underwent significant changes, in comparison with the previous years. The outstanding feature during the year was the decline of Rs. 172 crores in money supply, as against an increase of Rs. 99 crores in the previous year (*vide* Statement 17(A) and Graph 9). Earlier, in 1948-49 and 1949-50 also, there was a net decline in the money supply, but it was of much smaller magnitude, namely, Rs. 43 and Rs. 18 crores, respectively. Another significant feature of the year was the relatively small expansion in money supply during the busy season (extending a little beyond the financial year) amounting to only Rs. 9 crores, as against the substantial expansion of Rs. 216 crores in the preceding busy season. Furthermore, the contraction of money supply during the slack season of 1951-52, that is, May-October 1951, was also substantial, namely, Rs. 192 crores, which may perhaps be attributed in part to the heavy expansion in the immediately preceding busy season (*vide* Table on page 46).

GRAPH 9

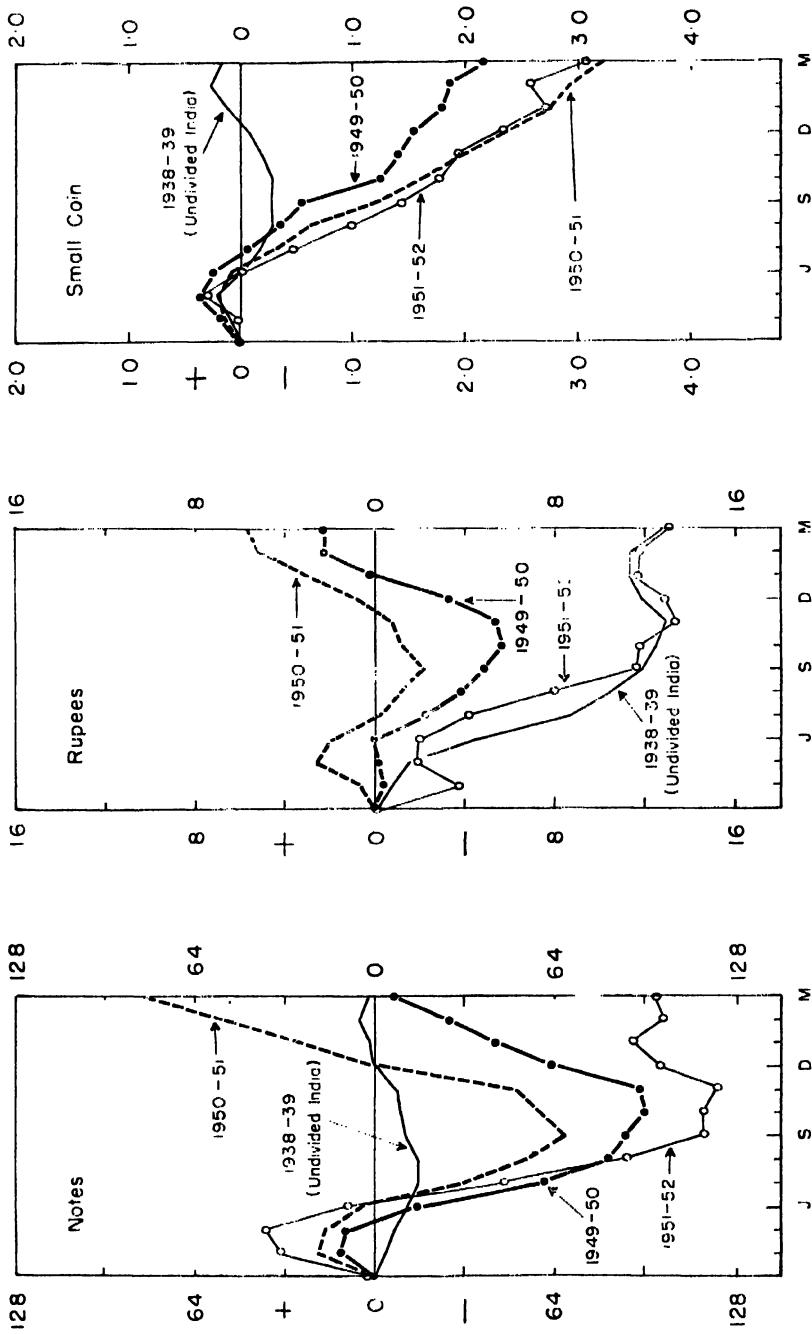
VARIATIONS IN MONEY SUPPLY

Crores of Rupees



ABSORPTION OR RETURN OF NOTES, RUPEES & SMALL COIN

INDIAN UNION



21. Seasonal Pattern.—The sequence of the seasonal pattern of money supply during the year was as follows:—

As during last year, the first month of the year, namely, April saw a continuation of the busy season, the money supply rising by a further Rs. 28 crores, as against only Rs. 6 crores in April 1950. The slack season commenced in May, but unlike in the previous year, it was prolonged by about a month and lasted through October. The busy season of 1951-52 was irregular and mild. The influences at work were more complex than in the previous busy seasons. Roughly end-October saw the commencement of the busy season judged from the point of view of the expansion of bank credit. There was expansion of the money supply in December 1951, and January and February 1952, but by a much smaller volume in comparison with 1950-51—Rs. 33 crores as against Rs. 106 crores. In March 1952, however, there was a contraction of Rs. 10 crores against an expansion of Rs. 57 crores in March 1951. On the whole, the 1951-52 busy season was somewhat short, lasting only a little over five months.

Thus, for the year as a whole, there was a net decline of Rs. 172 crores in money supply, about two-thirds of which was in currency with the public. In the previous year also, currency had accounted for the major portion of the expansion in the money supply.

22. Analysis of Variations.—The causes for the unusual variations in the money supply in 1951-52 may be briefly indicated. Broadly speaking, the four influences which affect money supply are (1) balance of payments, (2) budgetary position of the Central Government, (3) extension of credit by the Reserve Bank to the non-banking sector of the economy through open market operations, etc. and (4) expansion of credit by banks. Of these, the first two factors exerted a major influence in bringing about the decline in money supply, while the last one had an offsetting effect.

During the year, the deficit in balance of payments, measured roughly by the changes in the foreign assets of the Reserve Bank of India, amounted to about Rs. 161 crores as against a surplus of Rs. 25 crores in the previous year. In the 1951-52 slack season, the decline in the Reserve Bank's foreign assets was Rs. 42 crores higher than in the slack season of 1950-51, thus bringing about a larger decline in money supply. Again, whereas during the 1950-51 busy season the foreign assets of the Reserve Bank went up by Rs. 74 crores (thus causing money supply to increase), in the 1951-52 busy season the foreign assets declined by Rs. 81 crores, thus contributing to a decline in money supply. Secondly, the budgetary position of the Government of India in 1951-52, again as measured by their balances with the Reserve Bank, showed a further improvement, there being an increase in them of about Rs. 18 crores*, as against a rise of Rs. 33 crores* in 1950-51.

Although during 1951-52 the Reserve Bank's open market purchases were limited in amount and scope, as compared to 1950-51, the credit requirements of the banking system were met by adequate advances against securities and usance bills. The net increase in the credit thus extended to the banking system was Rs. 45 crores, which had an indirect influence on the money supply. But Reserve Bank credit is essentially of a short-term character, and, therefore, its influence on money supply is limited.

Finally, in 1951-52 as a whole, the expansion of credit by scheduled banks was about half that of 1950-51—Rs. 46 crores against Rs. 85 crores. During the busy season of 1951-52 the expansion of credit was only Rs. 96 crores as against

*As of last Friday of the year.

Rs. 173 crores in the previous year, though it must be stated that the decline in bank advances in the 1951-52 slack season was only about half of the expansion in the preceding busy season. The cautious policy of the banks was in keeping with the new monetary policy of the authorities. On the other hand, demand liabilities (net) of scheduled banks for the year as a whole, showed a decline of about Rs. 50 crores. In other words, larger credit by the banks was made possible, on the one hand, by a slight decline in their balances with the Reserve Bank and, on the other, by an increase in borrowings from the Reserve Bank. Thus, on the whole, the various factors were remarkably favourable to a reduction in the money supply.

An important influence assisting the decline in money supply was the U. S. loan for the purchase of foodgrains in the U. S. A.

SEASONAL VARIATIONS IN PRINCIPAL MONETARY DATA

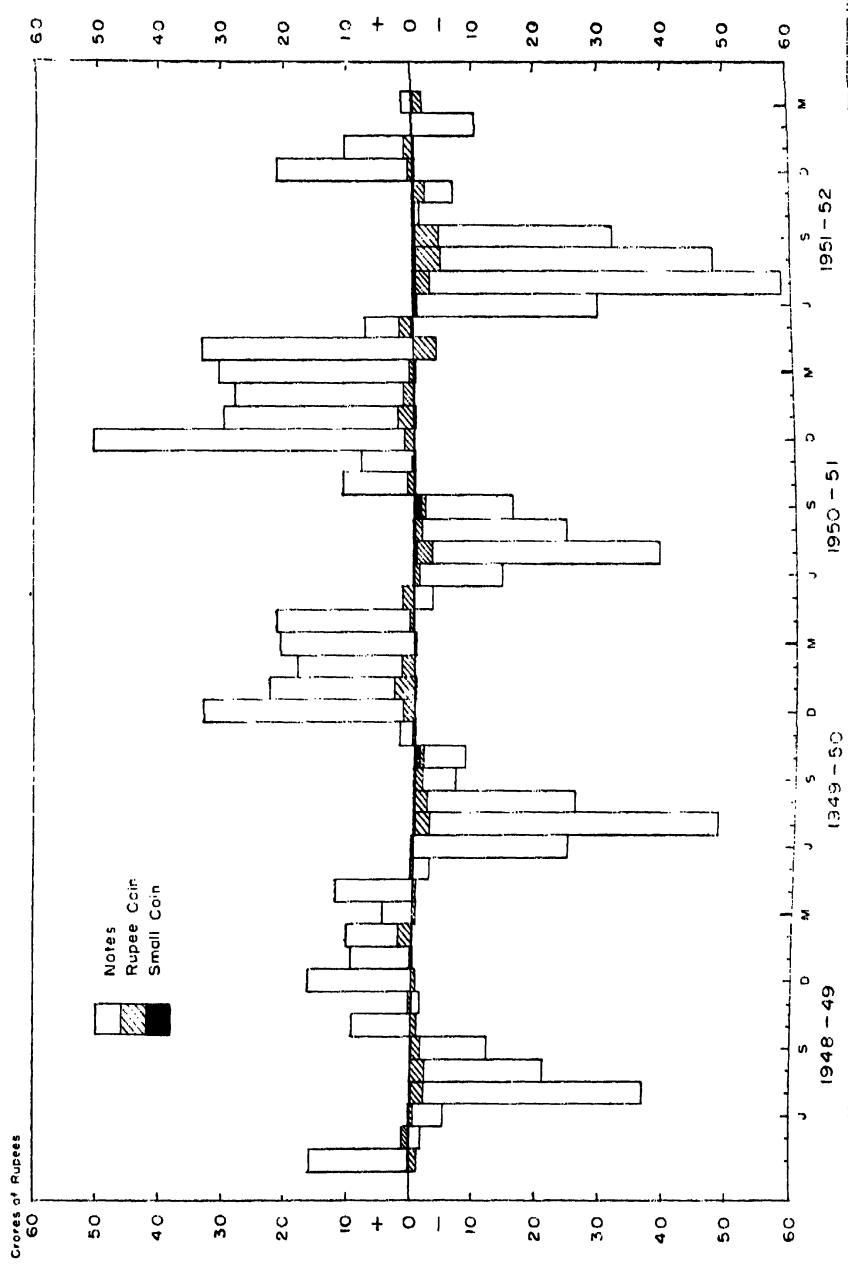
(Crores of Rupees)

	Slack Season	Busy Season	Slack Season	Busy Season	Slack Season	Busy Season
	May 13, 1949 to Oct. 28, 1949	Oct. 28, 1949 to May 12, 1950	May 12, 1950 to Sept. 29, 1950	Sept. 29, 1950 to May 11, 1951	May 11, 1951 to Oct. 26, 1951	Oct. 26, 1951 to Apr. 11, 1952
1. Notes in Circulation ...	- 124.86	+ 122.06	- 99.76	+ 206.88	- 172.47*	+ 41.27*
2. Foreign Assets held by the Reserve Bank ...	- 88.40	+ 61.51	- 43.39	+ 73.96	- 84.92	- 81.18
3. Rupee Securities held by the Reserve Bank ...	- 13.59	+ 8.58	+ 1.51	+ 82.56	- 27.48	- 35.37
4. Central Government Deposits with the Reserve Bank ...	+ 5.76	- 17.14	+ 30.46	- 30.99	+ 58.63	- 46.55
5. Other Loans and Advances by the Reserve Bank	+ 2.40	+ 0.94	- 6.05	+ 18.42	- 16.24	+ 44.76
6. Scheduled Banks' data :						
(i) Demand Liabilities (net)	+ 8.04	- 14.75	+ 17.37	+ 0.86	- 10.99	- 23.02
(ii) Time Liabilities (net)	- 16.35	+ 5.28	+ 2.45	+ 20.24	- 4.80	
(iii) Total of (i) and (ii) ...	- 8.31	- 9.47	+ 19.82	+ 21.10	- 15.79	- 28.91
(iv) Advances and inland Bills purchased and discounted § ...	- 101.49	+ 70.39	- 62.00	+ 172.64	- 85.86	+ 95.68
7. Money Supply with the Public	- 119.7†	+ 109.0†	- 95.8†	+ 216.3†	- 192.2†	+ 8.7
8. Wholesale prices (percentage variation in the weekly indices)	+ 4.6	- 0.3	+ 5.2	+ 10.5	- 4.6	- 13.9

Note.— Figures are gross variations; no adjustments have been made in respect of extraordinary transactions. * Net of India notes returned from circulation in Aden during the period October 1951 to March 1952. † Figures are on a monthly basis. § Including money at call and short notice.

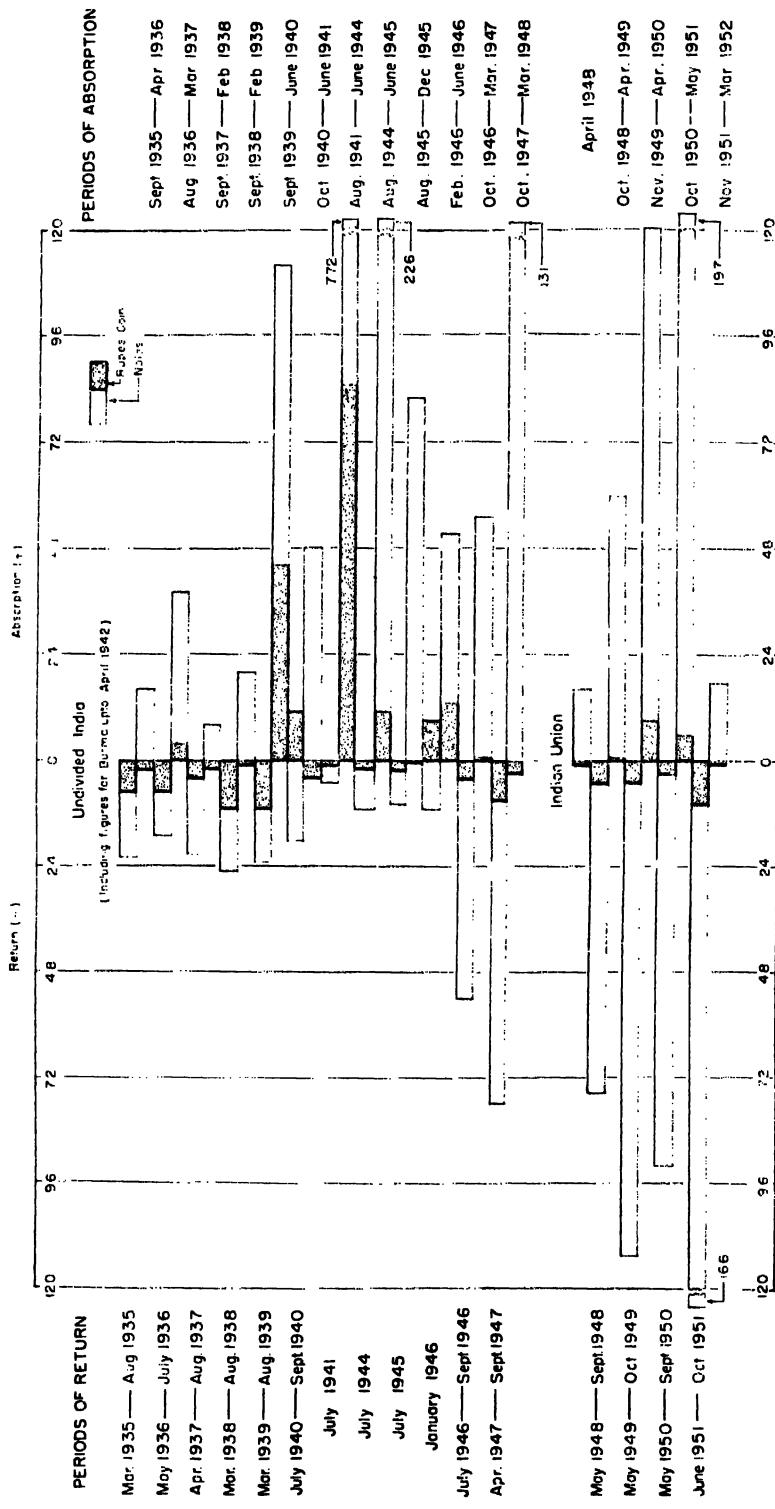
GRAPH II

MONTHLY ABSORPTION OR RETURN OF CURRENCY



SEASONAL ABSORPTION AND RETURN OF NOTES AND RUPEE COIN

(Crores of Rupees)



23. Circulation of Currency.—During 1951-52, the total currency circulation comprising all forms of legal tender currency (namely, notes, rupee coin and small coin) showed a resumption of the downtrend noticed in 1948-49 and 1949-50, the aggregate return of currency during the year amounting to Rs. 116.26 crores (*vide* Statements 18 and 19 and Graphs 10 and 11). This figure is net of adjustments made during the year in respect of Indian currency withdrawn from circulation in Aden (*vide* para. 28). During 1950-51, circulation of currency had shown a marked expansion of Rs. 86.51 crores. The total net contraction in the Indian Union during the four-year period 1948-49 to 1951-52 amounted to Rs. 47.37 crores.

24. Circulation of Notes.—In contrast to the sharp expansion of Rs. 83.89 crores in 1950-51, notes in circulation registered a sharp contraction of Rs. 100.21 crores* during the year under review (*vide* Statement 20). This record contraction is the resultant of (1) the absorption of Rs. 55.06 crores in the closing months of the 1950-51 busy season (April to mid-May 1951), (2) the return of Rs. 172.47 crores in the slack season of 1951-52 (mid-May to end-October 1951) and (3) the expansion of Rs. 17.20 crores in the 1951-52 busy season (November 1951 to March 1952) (*vide* Statement 21 and Graph 12). As usual, the highest monthly contraction of notes took place in July, which marks the trough of the slack season, the return during the month totalling Rs. 55.87 crores, as against Rs. 36.16 crores in July 1950. The maximum monthly expansion occurred this year during April 1951, contrary to the trend noticed in the previous years, when the peak monthly absorption was normally witnessed during December.

25. Issue of Notes by Denominations.—The Table below shows the issue of India notes of current denominations since 1948, together with the percentage of the issue under each denomination to the total issue. The denominations of Rs. 500 and above were demonetised in January 1946 (*vide* Statement 22).

As at the end of December	Rs.2	(Lakhs of Rupees)							
		Percent- age of (1) to (9)		Percent- age of (3) to (9)		Percent- age of (5) to (9)		Percent- age of (7) to (9)	
		1	2	3	4	5	6	7	8
1948	29.21	2.4	180.53	15.1	533.23	44.6	454.29	37.9	1,197.26
1949	26.62	2.4	179.91	16.1	486.42	43.4	425.91	38.1	1,118.86
1950	25.15	2.2	166.03	14.1	483.87	41.1	500.98	42.6	1,176.03
1951	25.43	2.2	157.41	13.6	477.42	41.1	500.90	43.1	1,161.16

Note.—Figures are net of India notes returned from circulation in Pakistan and Aden.

During 1951, total notes issued declined by Rs. 14.87 crores, as against a rise of Rs. 57.17 crores during 1950. The largest decline of Rs. 8.62 crores was in respect of Rs. 5 denomination, followed by a decline of Rs. 6.45 crores under Rs. 10 denomination. The circulation of Rs. 100 notes, which had shown a rise of Rs. 75.07 crores during the previous year, showed, during the present year, a

*Net of India notes returned from circulation in Aden from October 1951 to March 1952.

negligible decrease of Rs. 8 lakhs. The changes in the denominational pattern during the year were in conformity with the trends noticed since 1948. Thus, the proportion of Rs. 100 denomination to the total issue went up further from 42.6 to 43.1 per cent, and, as during 1950, this currency continued to represent the largest denomination in circulation. The percentage shares of Rs. 10 notes and Rs. 2 notes in the total issue remained virtually unchanged at 41.1 and 2.2. The proportion of Rs. 5 denomination, on the other hand, declined from 14.1 to 13.6 per cent. As between the Government of India one rupee notes (not shown in the Table, as these are treated as 'rupee coin') and the Bank notes of Rs. 2 denomination, the public continued to show a marked preference for the former.

26. Circulation of Rupee Coin.— Since November 1, 1943, when the standard silver rupee coin (of eleven-twelfths fineness) ceased to be legal tender, the 'rupee coin' in circulation in India has comprised (1) the Government of India one rupee notes issued from July 1940, which, in terms of the Government of India's Currency Ordinance of July 24, 1940 (No. IV of 1940), are deemed to be included in the expression 'rupee coin' for all purposes of the Reserve Bank of India Act, 1934, (2) the quaternary silver rupees (of one-half fineness) issued between December 1940 and June 1946, which continue to be legal tender and (3) the nickel rupees issued from June 1947. These coins (as well as current India small coins) were also in circulation in Pakistan at the time of the termination of the Joint Monetary Arrangements with Pakistan on June 30, 1948. In terms of Section 3 of Part IV of the Pakistan (Monetary System and Reserve Bank) Order, 1947 (as amended), the India coins, including one rupee notes, are being withdrawn from circulation by the State Bank of Pakistan and certain categories of them, as specified in the Order, returned in instalments to the Reserve Bank of India. The amount so returned and adjusted during 1951-52 was Rs. 4 lakhs, the total amount adjusted upto the end of March 1952 being Rs. 4.26 crores. The details of rupee coin returned by the State Bank of Pakistan and adjusted upto the end of March 1952 are shown in the Table below :—

Year	Quaternary Rupees	Nickel Rupees	Government of India One Rupee Notes	(Lakhs of Rupees)			
				1	2	3	4
1948-49	...	—	—	—	—	—	—
1949-50	...	43	8	3.41	3.92	3.92	3.92
1950-51	...	—	30	—	—	30	30
1951-52	...	—	4	—	—	4	4
Total	...	43	42	3.41	4.26	4.26	4.26

The Table on page 49 shows the absorption or return of rupee coin, in the Indian Union, during 1951-52, after making adjustments for the amounts returned during the year to the Reserve Bank of India from circulation in Pakistan. No adjustments have been made in respect of India rupee coin returned from circulation in Aden, as the figures are negligible.

(Lakhs of Rupees)

Month		India rupee coin in circula- tion *	Variations in Column (1)	India rupee coin returned from circulation in Pakistan and adjusted during the period	Absorption or return of rupee coin in the Indian Union (2 - 3)
		1	2	3	4
April	1951	149.44	- 3.88	-	3.88
May	"	151.41	+ 1.97	-	1.97
June	"	151.31	- 10	- 4	6
July	"	149.11	- 2.20	-	2.20
August	"	145.30	- 3.81	-	3.81
September	"	141.54	- 3.76	-	3.76
October	"	141.53	- 1	-	1
November	"	139.80	- 1.73	-	1.73
December	"	140.34	+ 54	-	54
January	1952	141.60	+ 1.26	-	1.26
February	"	141.53	- 7	-	7
March	"	140.28	- 1.25	-	1.25
1951-52		140.28	- 18.04	- 4	- 13.00

* At the end of month.

As against a rise of Rs. 5.82 crores during 1950-51, rupee coin circulation registered a net contraction amounting to Rs. 13.00 crores during 1951-52 (*vide Statement 19*). There was a total return of Rs. 3.88 crores during April 1951, of Rs. 11.57 crores during the months of June to November 1951 and of Rs. 1.32 crores in February and March 1952. As against this, there was a total absorption of Rs. 3.77 crores during the remaining months of the year, namely, May 1951, December 1951 and January 1952.

On April 4, 1951, the Reserve Bank received from the Government of India one rupee notes and coin of the value of Rs. 5 crores, in terms of Section 36(2) of the Reserve Bank of India Act, against payment of legal tender value.

27. *Circulation of Small Coin.*—Statements 19 and 23 show the figures of absorption or return of small coin. India small coin returned from circulation in Pakistan and adjusted during 1951-52 amounted to Rs. 11 lakhs, the total amount so returned and adjusted upto the end of March 1952 being Rs. 1.38 crores since April 1948. India small coin were also withdrawn from circulation in Aden (*vide para. 28*).

During 1951-52, the circulation of small coin fell further by Rs. 3.05 crores, as against a decline of Rs. 3.20 crores in the previous year. Since 1944-45, when the wartime demand for small coin had carried the figure of absorption to a record level of Rs. 19.20 crores, there has been a progressive falling-off in the demand for this form of currency, and from 1949-50 onwards, small coin has been actually returning from circulation. During the three years 1949-50 to 1951-52, there has been a total return of Rs. 8.41 crores. It may be noted that over the entire period of 37 years from 1915-16 to 1951-52, there have been only six years of small coin return, namely, two years after World War I in 1920-21 and 1921-22, the depression year 1930-31 and three years after World War II in 1949-50 to 1951-52.

The net return of small coin during the year resulted from an aggregate return of Rs. 3.50 crores during June 1951 to January 1952 and March 1952 and a relatively small absorption of Rs. 0.44 crore during the months of April and May 1951 and February 1952.

Circle-wise, all the circles recorded net returns during the year, including the Madras circle, which had registered a small absorption during 1950-51 (*vide* Table below). The return in the Calcutta circle was higher than in the previous year, while that in the Bombay, Delhi and Kanpur circles was lower. As in the previous year, the highest return was registered in the Calcutta circle, followed by Kanpur and Bombay.

Circle	Absorption (--) or Return (++) of Small Coin			(Thousands of Rupees)
	1951-52	1950-51	1949-50	
Bombay	... ... ... ... - 16,89	- 32,43	- 30,67	
Calcutta	... ... ... ... - 1,79,93	- 1,51,36	- 16,13	
Delhi	... ... ... ... - 8,77	- 22,78	- 30,10	
Kanpur	... ... ... ... - 90,07	- 1,14,13	- 81,28	
Madras	... ... ... ... - 9,66	- 91	- 57,41	
Total	... ... ... ... 3,05,32	- 3,19,79	- 2,15,59	

Denomination-wise, a noticeable feature was that while the higher denominations showed further returns during the year, the lower denominations (namely, single pice, half pice and pie pieces) actually recorded increases in circulation. There has been no return of single pice and pie pieces during the postwar period since 1948-49, as in the case of small coin of higher denominations, while the return of half annas commenced only in 1950-51 (*vide Statement 23*). The demand for pie pieces, which aggregated Rs. 1,000, came mainly from Government departments and banks for purposes of adjusting accounts.

Statement 24 shows the metal-wise absorption or return of small coin since 1939-40. During 1951-52, owing mainly to the prevailing high price of silver, the return from circulation of standard silver subsidiary coins continued to be negligible, as during 1950-51. The total amount of these coins withdrawn from circulation in undivided India since 1941-42 (when withdrawals of these coins commenced) upto 1947-48 came to Rs. 45 lakhs and to Rs. 5 lakhs from circulation in the Indian Union since 1948-49. As compared with the return of standard silver coins, the return from circulation of quaternary small coins has been appreciable. As against total net issues of Rs. 39.22 crores during the six-year period upto 1946-47, the returns since that year upto the end of 1951-52 totalled Rs. 10.70 crores ; of these, Rs. 1.14 crores returned from circulation in undivided India during 1947-48 ; Rs. 7.34 crores from the Indian Union in the subsequent 3 years and Rs. 2.22 crores during 1951-52. Pure nickel coins of the denominations of half and quarter rupees, which were first issued in May 1946, continued to be absorbed, their circulation rising further by Rs. 36 lakhs during 1951-52. The total net issues of these coins in undivided India upto the end of 1947-48 amounted to Rs. 6.39 crores and in the Indian Union since that date upto 1950-51 to Rs. 4.52 crores. As against these, there has been a return in the Indian Union since 1948-49 of Rs. 3.91 crores of subsidiary coins minted in nickel alloys.

28. Withdrawal of Indian Currency from Circulation in Aden.—The Government of the United Kingdom decided towards the close of 1950, in consultation with the Government of Aden, to replace the Indian currency circulating in Aden and British Somaliland by the East African Shilling. In pursuance of this decision, Indian currency (both notes and coins) in Aden was to be retired from circulation over a period and remitted to the Reserve Bank of India, the authorities in India having agreed to reimburse the Aden Government in blocked sterling against receipts of India notes and coins. The Government of Aden were allowed a period of five months commencing from October 1951 to complete the process of withdrawal of Indian currency in Aden. The total amount repatriated under the above arrangement was Rs. 6.11 crores, comprising Rs. 5.69 crores of notes, Rs. 0.30 crore of rupee coin and Rs. 0.12 crore of small coin.

IV. BANKING AND CAPITAL MARKET

29. General.—The outstanding development in the field of banking during the year was the severe strain placed on the banking system by an unusually large expansion in bank credit and the revision, in consequence, of the monetary and credit policies of the Reserve Bank of India. The unprecedented demand for funds during the busy season of 1950-51 had resulted in a record expansion of bank credit (Rs. 180 crores), but in the ensuing slack season the return of funds to banks was much smaller than the previous seasonal outgo. The 1951-52 busy season, therefore, commenced with the level of outstanding credit much higher than at the beginning of the previous busy season; despite this, the expansion in bank credit during the 1951-52 busy season amounted to nearly Rs. 100 crores. Although the high level of credit during the year was chiefly occasioned by larger production, greater imports and higher prices, speculative building of inventories and withholding of commodities from the market contributed to it. The consequent pressure on resources experienced by banks was partly attributable to the decline during the year in deposit liabilities by Rs. 55 crores, reflecting the deficit in the balance of payments (foreign assets of the Reserve Bank declined by Rs. 161 crores during 1951-52). The ratio of advances to deposit liabilities, which was 65 per cent on May 11, 1951, fell to 57 per cent on October 26, 1951 and rose again sharply to 70 per cent in March 1952. To meet the strain, banks were obliged in the 1950-51 busy season to liquidate their investments to the tune of Rs. 73 crores; during the same period the rupee holdings of the Reserve Bank increased by Rs. 81 crores, indicating that the securities liquidated by banks were absorbed by the Reserve Bank. Money rates ruled at high levels, even during the slack season.

The measures taken by the Reserve Bank of India to check further credit inflation were three-fold : the Bank rate was raised, the open market policy was revised and an attempt was made to introduce credit elasticity in the money market by developing a bill market. The first two of these measures were taken at the commencement of the 1951-52 busy season.

With effect from November 15, 1951 the Bank rate was raised, for the first time in 17 years, from 3 to 3½ per cent. This signalled a change in monetary policy and led to an immediate increase in money rates by ½ per cent; and as the busy season progressed, the rates hardened further. With a view to making the Bank rate effective and acquiring greater control over the money market, the Bank announced a change in its policy in regard to open market operations. During periods of financial stringency, in the busy season, scheduled banks had hitherto sold Government securities without restriction to the Reserve Bank to

provide themselves with funds. The Reserve Bank declared that during the ensuing busy season it would not normally buy Government securities, but would give advances against such securities under Section 17(4)(a) of the Reserve Bank of India Act. This operated as a brake on the monetisation of public debt. The loans and advances of the Reserve Bank excluding those to Central and State Governments increased by Rs. 55 crores during the 4½ months to March 1952. The withdrawal of the partial support to the market for Government securities along with a change in the Bank rate led to a sharp fall in gilt-edged prices. Under these circumstances, the investments of scheduled banks in Government securities showed a decline during this period of only Rs. 18 crores in spite of a stringent busy season. The third measure was devised with a view to meeting the legitimate requirements of business for bank credit; it attempted to introduce an element of elasticity in the money market which it had hitherto lacked. A bill scheme was introduced in January 1952, and in this way a substantial amount of assistance (Rs. 74 crores upto June 30, 1952) was made available to banks to tide over their seasonal needs. As a result of these credit measures, and of the steep fall in wholesale prices in February and March 1952, the expansion in credit was slowed down, and towards the end of the year under review, the borrowings by banks from the Reserve Bank were beginning to decline.

The number of scheduled banks declined by 1 to 95 during the year. The United Western Bank Ltd. was added to the Second Schedule to the Reserve Bank of India Act, while the Jwala Bank Ltd. and the Bharat Bank Ltd. were excluded from it. Eighty-two* new offices of scheduled banks were opened during the year, but owing partly to the closure of a large number of branches after the amalgamation and merger of certain banks, there was a net decline of 18 offices over the year. The United Bank of India Ltd., the new bank formed by the amalgamation of four scheduled banks in West Bengal towards the end of 1950, closed down 18 offices during the year, while the Punjab National Bank Ltd. closed 12 offices during the year after the partial amalgamation of the Bharat Bank Ltd. with it.

The implementation of the various provisions of the Banking Companies Act, particularly those relating to capital requirements and liquidity ratios, tended to strengthen the banking system, as also the inspections of banks which were stepped up during the year under review. Several steps were also taken during the year to implement some of the recommendations of the Rural Banking Enquiry Committee. An important development during the year was the undertaking of an all-India Rural Credit Survey designed to investigate the conditions of credit in selected rural areas of the country†.

In contrast to the improvement noticed in the previous year, the capital market was on the whole bearish during 1951-52, reflecting partly the lessening of international tensions and partly the uncertainty regarding Government's fiscal and monetary policies. When the changes in the Bank rate and open market policy were announced the trend was reinforced. Gilt-edged prices, which had shown a downtrend since the latter half of 1950-51 fell sharply after mid-November. However, with the re-emergence, a few weeks later, of official support at about Rs. 80 (or at a yield of 3½ per cent) for the Conversion Loan of 1946, comparative stability was restored in the market, which ruled generally steady there-

* Of these, five represent administrative offices, which hitherto had not been taken into account. Two offices of two banks at Chandernagore have not been taken into account.

† A detailed review of banking developments during the year 1951 will be found in the Report on the Trend and Progress of Banking in India, 1951.

after to the end of the year under review. Over the year as a whole, the index of gilt-edged securities declined by about 7½ per cent. Equity prices, which had maintained the uptrend from June 1950 until June 1951 owing to higher production and higher prices, began to sag from July onwards, sentiment being adversely affected by the prospects of early termination of the Korean War and a change in the monetary policy of the Government. In February and March, they fell further owing to the recession in the commodity and bullion markets. Settlement difficulties were experienced, particularly in Bombay; normal trading was disrupted and Governing Boards of the Stock and Bullion Exchanges had to take measures to restore stability. Over the year as a whole, equity prices declined by 13 per cent as against a rise of 15 per cent in the previous year.

There had been a gradual hardening of yields even before the Bank rate was raised. In August the Central Government offered 3 per cent for a cash-cum-conversion loan amounting to Rs. 50 crores maturing in 1958 as against 3 per cent offered during the previous year for a 14-year loan. In the following month, State Governments offered interest rates ranging from 3.50 to 3.56 per cent for loans maturing in 1962.

The slight improvement in the market for new Government issues was evidenced by the fact that the Central Government's short-dated loan was fully subscribed and cash subscriptions amounted to Rs. 13 crores, although on Government loan account there was a net outgo of Rs. 38 crores during the year as compared with a net outgo of Rs. 12 crores in the previous year. The receipts from small savings were encouraging, the amount being Rs. 36.3 crores as against Rs. 33.4 crores in the previous year, mainly on account of the introduction of the 3½ per cent Ten-year Treasury Savings Deposit Certificates in February 1951. In the private sector, while most of the new issues floated during 1950 were debentures, those floated in 1951 mainly comprised preference and ordinary shares. The response was reported to be encouraging. Profits were in general higher, though dividends tended to be maintained at the previous levels. Notwithstanding the slight gains recorded in the new issue market, the basic problem of the capital market continues to be one of promoting savings and stimulating investment.

The outstanding loans and advances granted by the Industrial Finance Corporation of India increased from Rs. 5.21 crores at the end of 1950-51 to Rs. 6.55 crores at the end of 1951-52. During the year, the State Financial Corporations Bill was enacted as an enabling measure to facilitate the financing of medium and small-scale industries in the States through medium and long-term loans.

The recommendations of two committees appointed by Government, namely, the Gorwala Committee on the Regulation of Stock Exchanges and the Bhabha Committee on Company Law Reform were published during the year under review.

30. Money Market.—The opening weeks of the year under review saw the busy season of 1950-51 approaching its peak, which was reached on May 11, when advances and discounts of scheduled banks amounted to Rs. 586 crores (*vide Statement 26*). The pressure for funds as the season moved towards its peak was reflected in a further hardening of money rates. On April 24, the Imperial Bank which earlier had restored its lending rate to scheduled banks against Government securities for borrowings of Rs. 5 lakhs and above to its pre-March 1951 level of 2½ per cent, raised the rate again to 3 per cent, and the rate for loans below

Rs. 5 lakhs to $3\frac{1}{2}$ per cent. In May, the three months' deposit rate hardened from $1\frac{1}{2}$ - $2\frac{1}{2}$ per cent to 2 - $2\frac{1}{2}$ per cent.

The slack season of 1951-52 was remarkable for the comparatively high level of outstanding bank credit, a part of which was presumably utilised for building up stocks. Money rates did not consequently come down as much as they normally do, nor did they remain at low levels for any length of time (*vide Statement 29*). On the contrary, exchange banks put up their minimum rates for all classes of advances by $\frac{1}{2}$ - 1 per cent with effect from July 1, while call rates generally remained unchanged till the Imperial Bank reduced its call rate for loans against Government securities to banks for Rs. 5 lakhs and above to its original level of $2\frac{1}{2}$ per cent with effect from July 18. Following this, the call rate among the larger scheduled banks eased fractionally from 1 per cent to $\frac{3}{4}$ - 1 per cent, but the call rate among the smaller scheduled banks remained unchanged. The larger scheduled banks reduced it further to $\frac{1}{2}$ per cent in September.

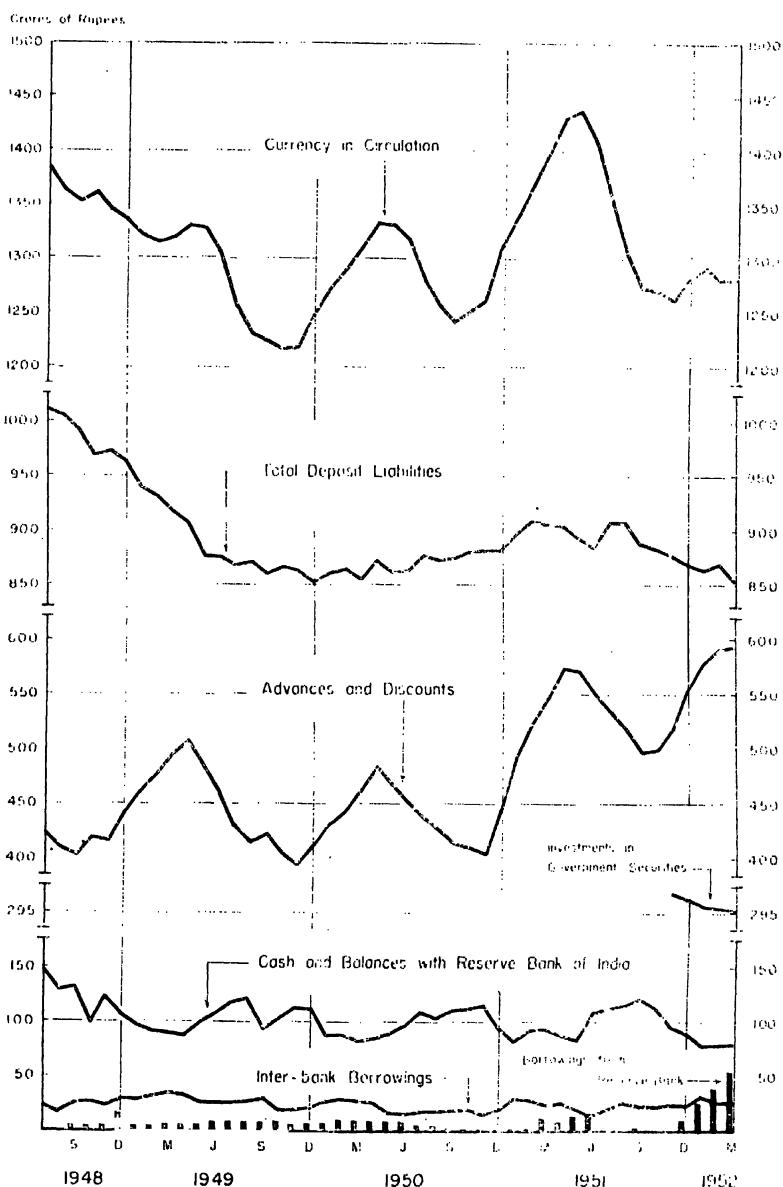
During the slack season, the return of funds to the banking system amounted to only Rs. 86 crores with the result that the seasonal low of Rs. 500 crores on October 26, 1951 (*vide Graphs 13 and 14*) was Rs. 95 crores higher than at the end of the previous slack season. Deposit liabilities of scheduled banks, which had risen from December 1949, after the devaluation of the rupee and also during the busy season, tended to decline from mid-April, 1951 and by the end of the slack season fell by Rs. 28 crores to Rs. 884 crores. That the strain on the resources of the banking system was not appreciably relieved during this season is indicated by the fact that the ratio of advances to deposits which had stood at 65 per cent on May 11, fell to only 57 per cent on October 26. In the same period, the cash ratio rose from 9.5 per cent to 12.6 per cent (*vide Statement 28*).

Thus, indications at the commencement of the 1951-52 busy season were that a further sizable expansion in bank credit would be superimposed on an already high level. Therefore, with a view to putting a brake on undue credit expansion, the Reserve Bank raised the Bank rate from 3 to $3\frac{1}{2}$ per cent on November 15, 1951. Following this, there was a general rise in rates. The Imperial Bank stepped up, with effect from November 15, its general rate for advances from $3\frac{1}{2}$ to 4 per cent, its *hundi* rate from 4 to $4\frac{1}{2}$ per cent, and its call rate for loans to scheduled banks against Government securities for Rs. 5 lakhs and above from $2\frac{1}{2}$ to 3 per cent and for those below Rs. 5 lakhs from 3 to $3\frac{1}{2}$ per cent. Other scheduled banks also raised their lending rates by $\frac{1}{2}$ - $\frac{1}{4}$ per cent. The call money rate among the larger scheduled banks hardened to $\frac{3}{4}$ per cent on November 16 and further to $1\frac{1}{2}$ per cent on November 23, while the rate among the smaller scheduled banks moved up to $1\frac{1}{2}$ - 2 per cent on November 30. As the busy season got under way, advances began to rise and with the pressure for funds developing, there was a further hardening of the call rate among the larger scheduled banks to $1\frac{1}{2}$ per cent on December 13, to 2 per cent on December 20 and to $2\frac{1}{2}$ per cent on December 27. The smaller scheduled banks also put up their rates, while the Imperial Bank's call rate to banks for loans against Government securities of Rs. 5 lakhs and above rose to $3\frac{1}{2}$ per cent. Exchange banks raised their rates on December 15 by a further $\frac{1}{2}$ per cent. With the demand for funds unabated, there was a further rise in rates in January and February 1952; following the sharp price decline in commodities in February and March and the unsettled conditions in the financial and commodity markets as a result of this, the seasonal pressure for funds continued to be acute in March, being strengthened by the usual year-end requirements as well as the necessity to finance the large volume of cotton imports, particularly from the U.S.A. The call rate among the larger scheduled banks moved up to $2\frac{1}{2}$ per cent on January 17, 1952 and later to $2\frac{1}{2}$ - 3 per cent,

GRAPH 13

CURRENCY AND BANKING TRENDS

(Figures are as on last Friday of the month)*

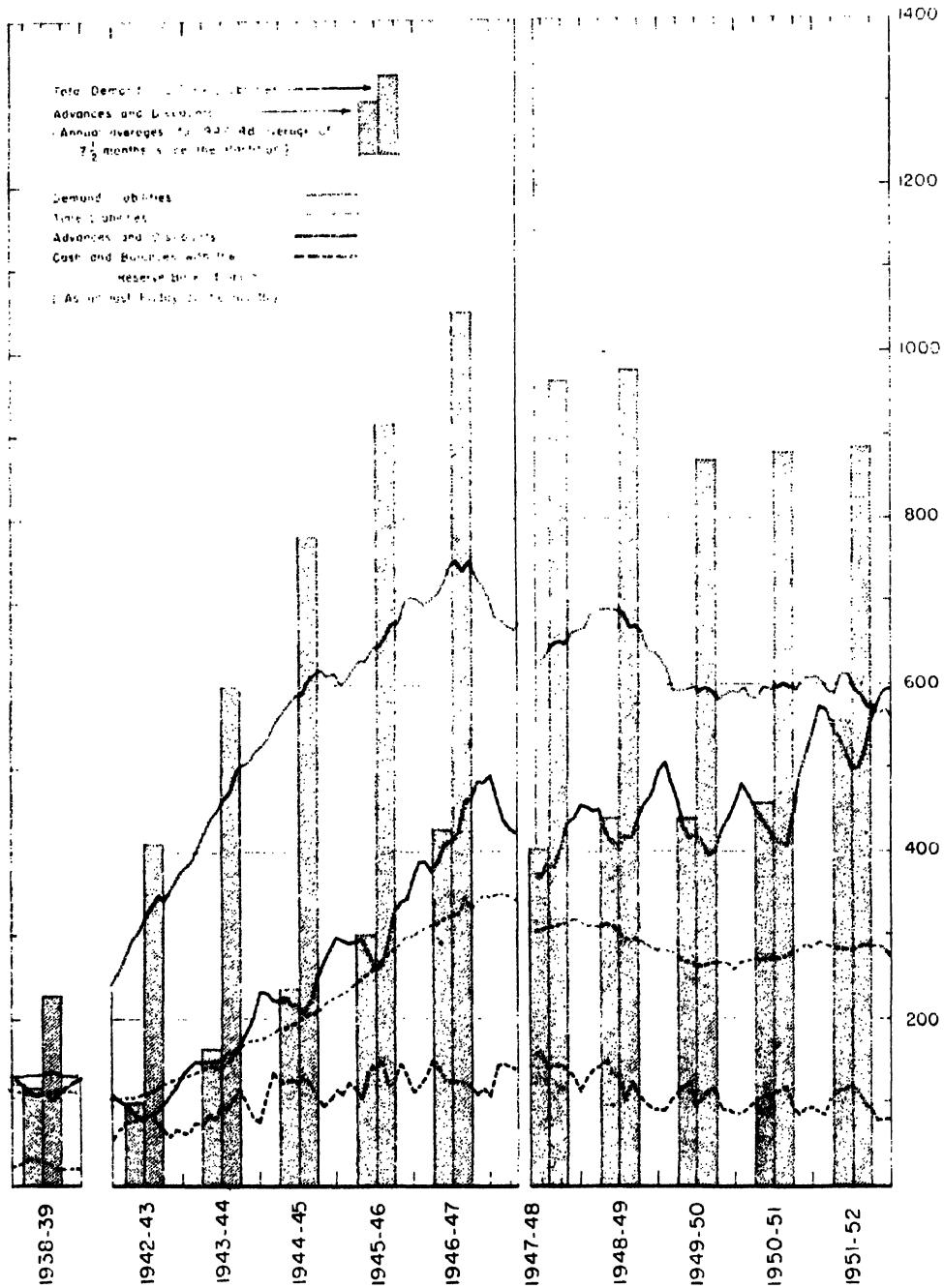


*Except in the case of (i) currency where figures of one of the component items, namely, rupee coin are as at the end of the month and (ii) borrowings from the Reserve Bank which, during the period April to August 1949, are as of the last Thursday of the month.

GRAPH 14

SCHEDULED BANKS' CONSOLIDATED POSITION

of Rupees



while that among the smaller scheduled banks stiffened to 3 per cent, with an occasional spurt to 3½ per cent.

The busy season expansion of scheduled bank credit from October 26, 1951 to March 7, 1952 was of the order of Rs. 100 crores. Deposit liabilities of scheduled banks during this period fell further by Rs. 27 crores to Rs. 857 crores, the contraction presumably being mainly in respect of business deposits. Consequently, the ratio of advances to deposits rose to 70 per cent, while the cash ratio fell to 9.1 per cent. Pursuant to the change in the Bank's open market policy from mid-November 1951 there has since been no large-scale liquidation by scheduled banks of their investments in Government securities. Scheduled banks have, instead, had greater recourse to borrowing from the Reserve Bank. In the 4½ months from mid-November 1951, loans and advances of the Reserve Bank excluding those to Central and State Governments rose by Rs. 55 crores. Towards the end of March, with a large volume of cotton imports requiring bank finance, the Government of India guaranteed to buy at specified prices the cotton held by banks as security against their advances, in case of need. The Reserve Bank followed this up by assuring scheduled banks that reasonable facilities would be accorded to banks to finance the purchase of Indian and imported cotton.

The total deposits of non-scheduled banks remained around the end-December 1950 figure of about Rs. 37 crores till July 1951, after which they declined to about Rs. 34 crores at the end of 1951 (*vide* Statement 30). Their loans and advances fell from Rs. 28.4 crores at the end of December 1950 to Rs. 26.3 crores at the end of April 1951; thereafter they rose till the end of November 1951, and subsequently declined to close for the year at Rs. 27.2 crores. The ratio of their advances to deposits fluctuated between 73 and 82 per cent in 1951 as against 49 and 63 per cent in the case of scheduled banks. Their cash ratio generally remained around 8 to 10 per cent.

31. *Bill Market Scheme*.—Reference has already been made to the step taken by the Reserve Bank to introduce a certain measure of credit elasticity in the money market by means of the creation of a bill market, the lack of which had long been felt in this country. The question of creating and developing a bill market was taken up early in the last quarter of the year under review. In terms of a scheme evolved in consultation with representative bankers and announced on January 16, 1952, the Reserve Bank declared that it would make advances to scheduled banks in the form of demand loans against their promissory notes supported by usance bills or promissory notes of their constituents. Section 17(4)(c) permits the Reserve Bank to make advances against bills of exchange and promissory notes drawn on and payable in India and arising out of *bona fide* commercial or trade transactions bearing two or more good signatures (one of which shall be that of a scheduled bank) and maturing within 90 days. As banks normally finance business through loans, cash credits and overdrafts, they were permitted to convert a part of the borrowings (representing the minimum requirements of the borrower during the next three months) into usance promissory notes for 90 days which they could ledge with the Reserve Bank as collateral for advances. As an inducement to banks to popularise the bill as an instrument of credit, the Reserve Bank offered to make advances against bills at ½ per cent below the Bank rate. As a further incentive, the Bank agreed to bear one-half of the cost of the stamp duty incurred in converting demand bills into time bills. The minimum value of individual bills tendered to the Bank was fixed at Rs. 1 lakh each, while the minimum limit for a single advance which a bank might take at any time was fixed at Rs. 25 lakhs. The scheme was provisionally restricted to banks whose deposits were not less than

Rs. 10 crores on December 31, 1951. In the short period of its operation, advances under this scheme amounted to over Rs. 28 crores upto the end of March. They subsequently rose to Rs. 74 crores by the end of June.

32. *Reserve Bank of India*.—Statements 35 to 40 and Graphs 16 to 19 show the trends in the assets and liabilities of the Reserve Bank of India, and reflect, as usual, seasonal changes, the state of governmental finances and the external payments position.

In the opening weeks of the year under review, notes in circulation rose by Rs. 55 crores to a seasonal peak of Rs. 1,302 crores on May 11. Deposits of banks with the Reserve Bank did not show much variation from the level of Rs. 59 crores between March and June 1951; but with stringency continuing in the money market, banks were compelled to liquidate a part of their investments, and correspondingly the Reserve Bank's holdings of rupee securities rose in the first few weeks of the year by Rs. 19 crores to Rs. 605 crores on May 25, 1951. For the entire 1950-51 busy season, the Reserve Bank's holdings of Government securities rose by nearly Rs. 81 crores as against the rise of only Rs. 12 crores in the preceding busy season, indicating the magnitude of seasonal relief provided by the Bank through this means to alleviate the acute stringency in the money market.

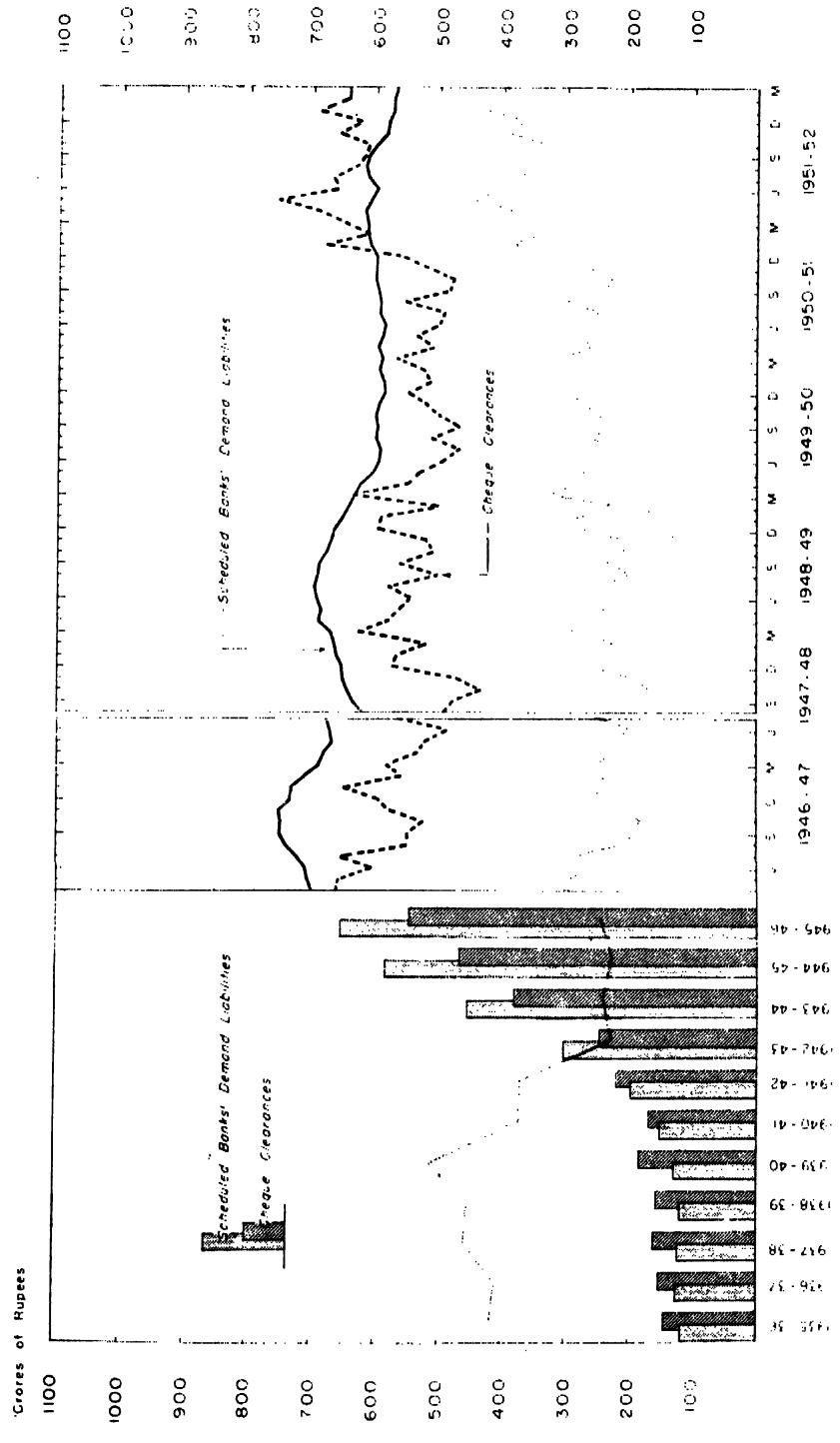
With the advent of the slack season, notes in circulation contracted, and between May 11 and November 30, 1951 fell by a record amount of Rs. 180 crores. As is usual in the slack season, deposits of banks with the Reserve Bank rose by Rs. 32 crores to Rs. 84 crores on September 28, 1951. Concurrently the Reserve Bank also liquidated some of its holdings of rupee securities, the fall between May 25 and October 26, 1951 amounting to Rs. 28 crores.

With the onset of the busy season, notes in circulation again started rising, but the increase from November 30, 1951 to the end of March 1952 was of the order of only Rs. 19 crores, a relatively insignificant figure in comparison with the rise of Rs. 134 crores in the corresponding period of the previous busy season (November 24, 1950 to March 30, 1951). Banks' balances with the Reserve Bank also declined, and, at the end of the year under review, stood at Rs. 47 crores. For reasons explained in the preceding paragraphs, banks as a whole did not, during the busy season, liquidate their holdings of Government securities to any large extent. On the other hand, there was a slight decline in the Reserve Bank's holdings of rupee securities by about Rs. 7 crores. However, the Reserve Bank's outstanding loans to borrowers other than Central and State Governments showed a considerable rise, from the level of Rs. 7 crores in early December to Rs. 61 crores at the end of the year under review, of which Rs. 28 crores were against usance bills.

Deposits of the Central Government which at the end of March 1951 had stood at Rs. 162 crores and had fallen to Rs. 131 crores on April 6, 1951, rose with but a few interruptions to a high level of Rs. 217 crores on August 31, 1951. Thereafter they fluctuated between Rs. 188 crores and Rs. 215 crores till February 1, 1952, after which date a decline set in and they ended for the year at Rs. 180 crores or Rs. 18 crores above the preceding year's closing level. The rise between April and August was due, apart from the sales of Treasury bills to Governments of Part 'A' States and other approved bodies, to the receipts from Customs, the subscriptions to the 3 per cent Loan 1958 and to the payment by the Reserve Bank of its net profits to the Central Government. The decline that followed after August may presumably be attributed to the repayment of the 3 per cent Loan, 1951-54,

GRAPH 15

CHEQUE CLEARANCES AND SCHEDULED BANKS' DEMAND LIABILITIES



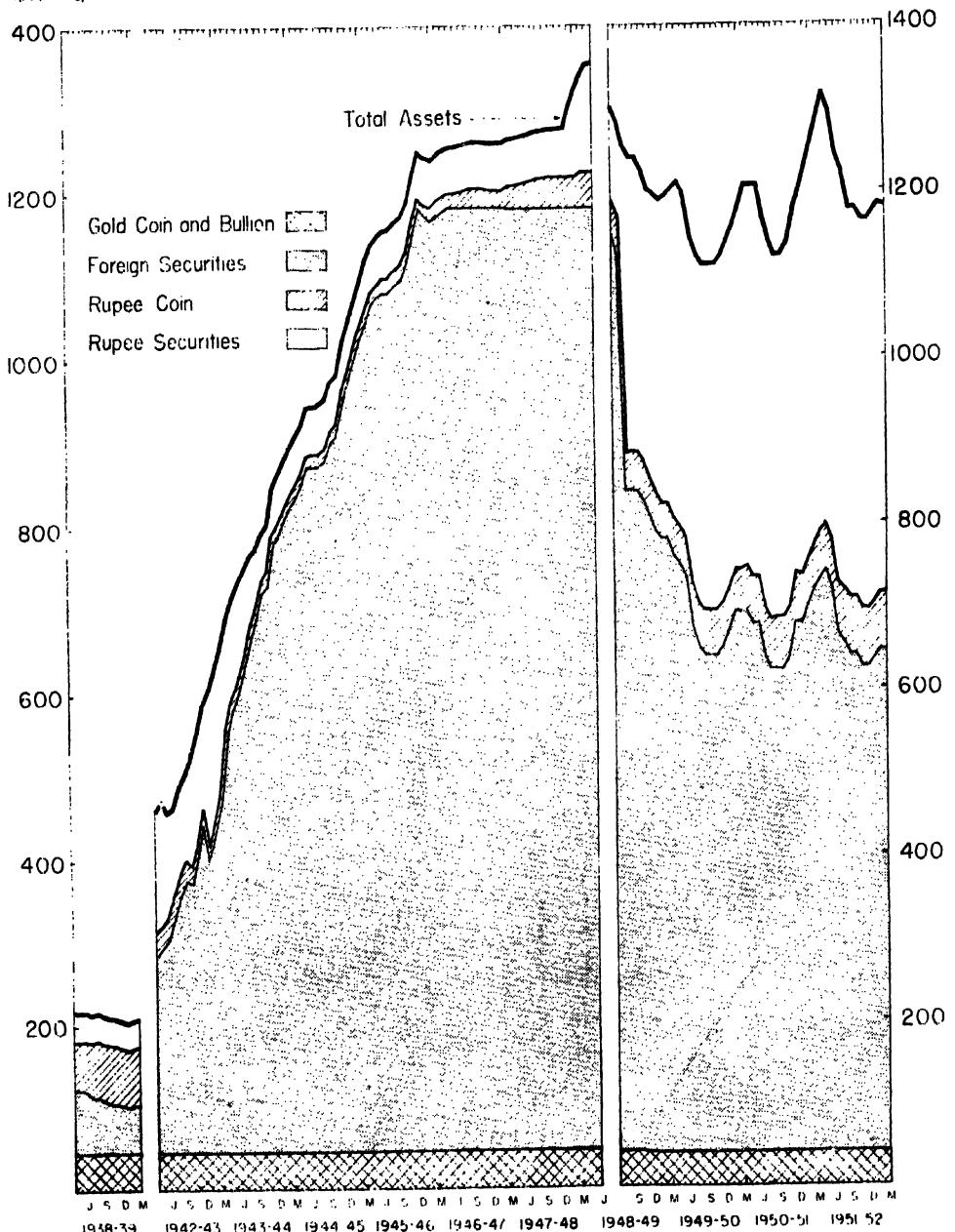
GRAPH 16

ASSETS OF THE ISSUE DEPARTMENT

OF THE RESERVE BANK OF INDIA

(AS ON LAST FRIDAY OF THE MONTH)

Rupees of Rupees



while the intermittent rise reflected the sale proceeds of imported U.S. wheat under the Wheat Loan arrangement and improved revenue receipts. Deposits of Part 'A' States which at the end of 1950-51 had stood at Rs. 26 crores fluctuated between a level of Rs. 35 crores on April 6, 1951 and Rs. 1 crore on November 9, 1951, though at the year-end they had recovered to Rs. 25 crores.

The holdings of foreign assets of the Reserve Bank reflected the widening balance of payments deficit of the country during the year. These fluctuated around Rs. 883 crores till early May; thereafter, there was an almost continuous decline, the amount at the end of the year being Rs. 723 crores.

"Other Deposits" with the Bank were generally on the decline from June and ended for the year at a level of Rs. 66 crores or Rs. 6 crores less than a year previous. Gold coin and bullion remained unchanged at Rs. 40 crores (at the statutory price of Rs. 21-3-10 per tola) during the year as in the previous year.

33. Pattern of Deposits, Investments and Advances.—Statements 41 to 43 set out the results of the quarterly surveys of advances and half-yearly surveys of deposits and investments of scheduled banks and non-scheduled banks covering the year 1951.

Deposits.—The surveys of deposits of scheduled banks disclosed that during the year they declined by Rs. 28 crores to Rs. 822 crores at the end of December 1951. This decline was made up of decreases in demand and savings deposits of Rs. 29 crores and nearly Rs. 2 crores, respectively, which were partially offset by the rise in time deposits of about Rs. 3 crores. The fall in demand deposits occurred under both business (Rs. 19 crores) and personal (Rs. 10 crores) deposits. The fall in the former was in part due to the import surplus in the second half of 1951, while the fall in the latter represented a continuation of the trend since 1950 and was apparently due to the dissaving by middle class depositors on account of continuing inflation. The Table below shows the ownership distribution of demand, savings and time deposits of scheduled banks as at the end of 1950 and 1951:—

Type of Deposit	December 31, 1950				December 31, 1951			
	Amount (Rs. crores)	Business % of (1)			Amount (Rs. crores)	Business % of (1)		
		Personal % of (1)	Others % of (1)	1		2	3	4
Demand	485.7	52.4	27.5	20.1	456.3	51.7	27.2	21.1
Savings	137.0	1.5	96.1	2.4	135.4	1.2	96.4	2.4
Time	226.7	25.7	56.5	17.8	230.0	28.1	53.5	18.4

Investments.—Half-yearly surveys of the investments of scheduled banks disclosed a decline in investments to the extent of Rs. 61 crores between December 1950 and June 1951 and a slight increase of Rs. 3 crores in the subsequent half-year. Over the year as a whole, the banks reduced their portfolio by Rs. 58 crores to Rs. 358 crores. These variations were mainly in scheduled banks' holdings of Government securities, which fell in the first six months of 1951 by Rs. 66 crores and rose in the next six months by Rs. 6 crores, the amount at the end of the year being Rs. 306 crores.

A significant feature in recent years of the investment portfolio of banks is the gradual decline of the proportion of long-dated Government securities. The proportion was 18 per cent in December 1948, 17 per cent in December 1949,

15 per cent in December 1950 and 11 per cent in December 1951. The decline in the proportion of long-dateds during 1951 was accompanied by a rise in the medium-dateds from 52 per cent in December 1950 to 60 per cent in June 1951 and to 63 per cent in December 1951. Short-dated securities in banks' portfolios declined sharply from 33 per cent in December 1950 to 26 per cent in June 1951 but rose slightly to 27 per cent six months later.

Advances.—The quarterly surveys of advances of scheduled banks showed that the movements reflected mainly the seasonal demand for funds from the banking system. Between December 1950 and March 1951 advances rose by Rs. 109 crores; between March and June 1951 they hardly changed and over the following quarter they fell by Rs. 53 crores, showing that the return of funds during the slack season of 1951 was much less than the previous outgo. With the setting in of the new busy season, they again rose between September and December 1951 by Rs. 52 crores. Despite the relatively higher level of advances throughout the year, it is interesting to note that the shares of industry and commerce in the total did not show any great change. The following Table summarises the broad distribution of advances by groups as at the end of 1950 and each of the quarters of 1951.

End of	Amount (Rs. crores)	Industry		Commerce		Agriculture		Personal and pro- fessional		Others	
		% of (1)	% of (1)	% of (1)	% of (1)	% of (1)	% of (1)	% of (1)	% of (1)	% of (1)	% of (1)
		1	2	3	4	5	6				
December 1950	475.6		32.0	51.8	2.3	8.9	5.1				
March 1951	584.6		33.6	53.1	2.1	7.3	4.0				
June ,	584.3		35.7	50.4	2.7	6.8	4.4				
September ,	531.6		34.4	49.6	3.2	7.7	5.1				
December ,	583.3		33.4	52.8	2.2	7.4	4.2				

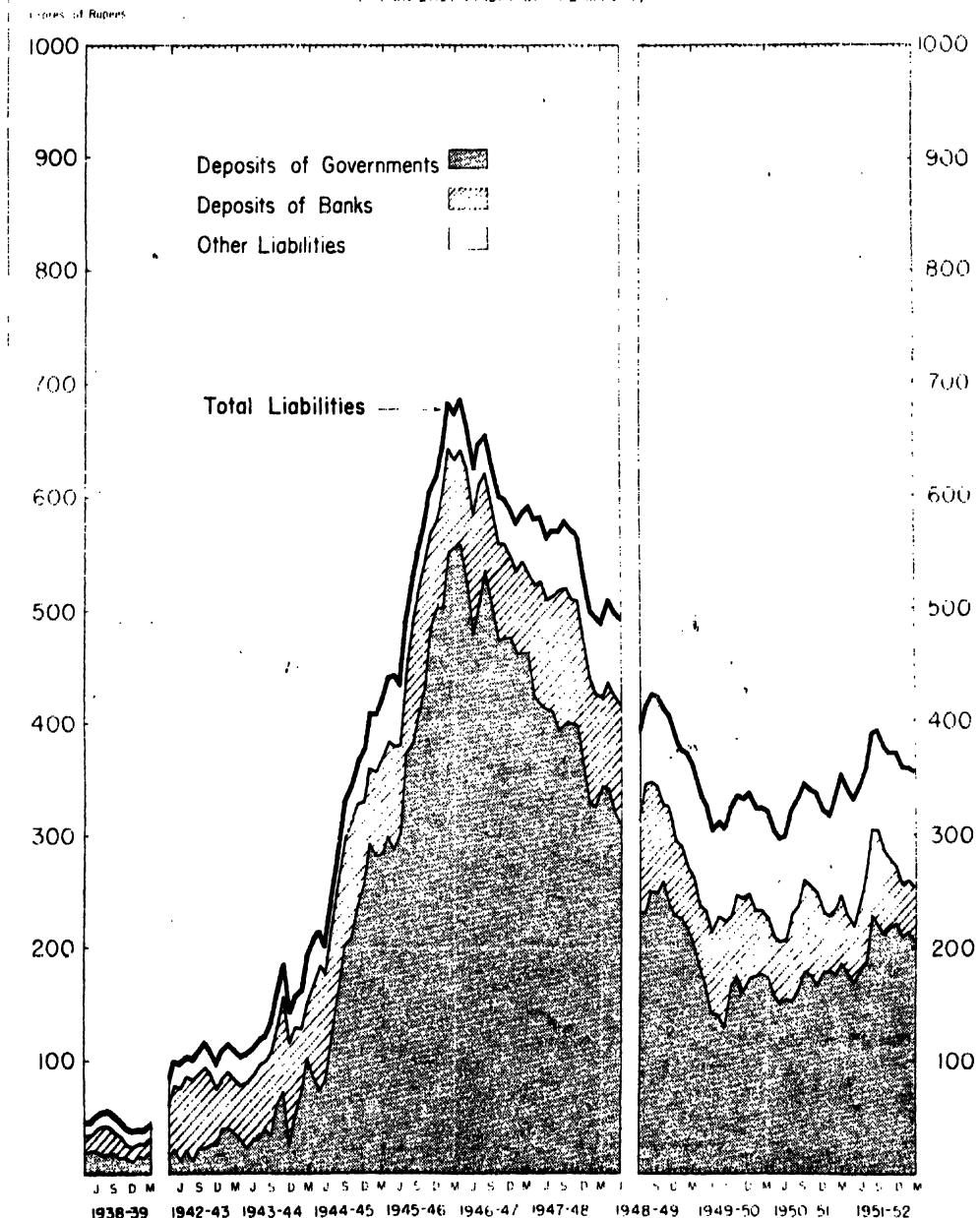
The surveys also disclosed that the overwhelming portion of scheduled bank credit continued to be secured. The share of advances against Government securities was around one-tenth to one-twelfth of the total, while that against merchandise continued to account for the bulk (about one-half). The security-wise distribution of advances as at the end of 1950 and each of the quarters of 1951 is given in the Table below :—

End of	Amount (Rs. crores)	Govern- ment & Trustee Securi- ties % of (1)		Shares % of (1)		Mer- chan- dise % of (1)		Real Estate % of (1)		Bullion % of (1)		Other Securi- ties % of (1)		Un- secured % of (1)	
		1	2	3	4	5	6	7	8						
December 1950	475.6	9.5	11.2	44.7	4.7	3.1	12.6	14.3							
March 1951	584.6	8.6	9.2	51.5	3.7	2.3	12.5	12.2							
June ,	584.3	7.4	8.9	54.2	3.6	2.1	12.7	11.2							
September ,	531.6	8.4	9.4	49.4	3.9	2.6	13.4	12.9							
December ,	583.3	8.4	8.8	52.0	3.8	2.7	12.9	11.4							

GRAPH 17

LIABILITIES OF THE BANKING DEPARTMENT
OF THE RESERVE BANK OF INDIA

(AS ON LAST FRIDAY OF THE MONTH)



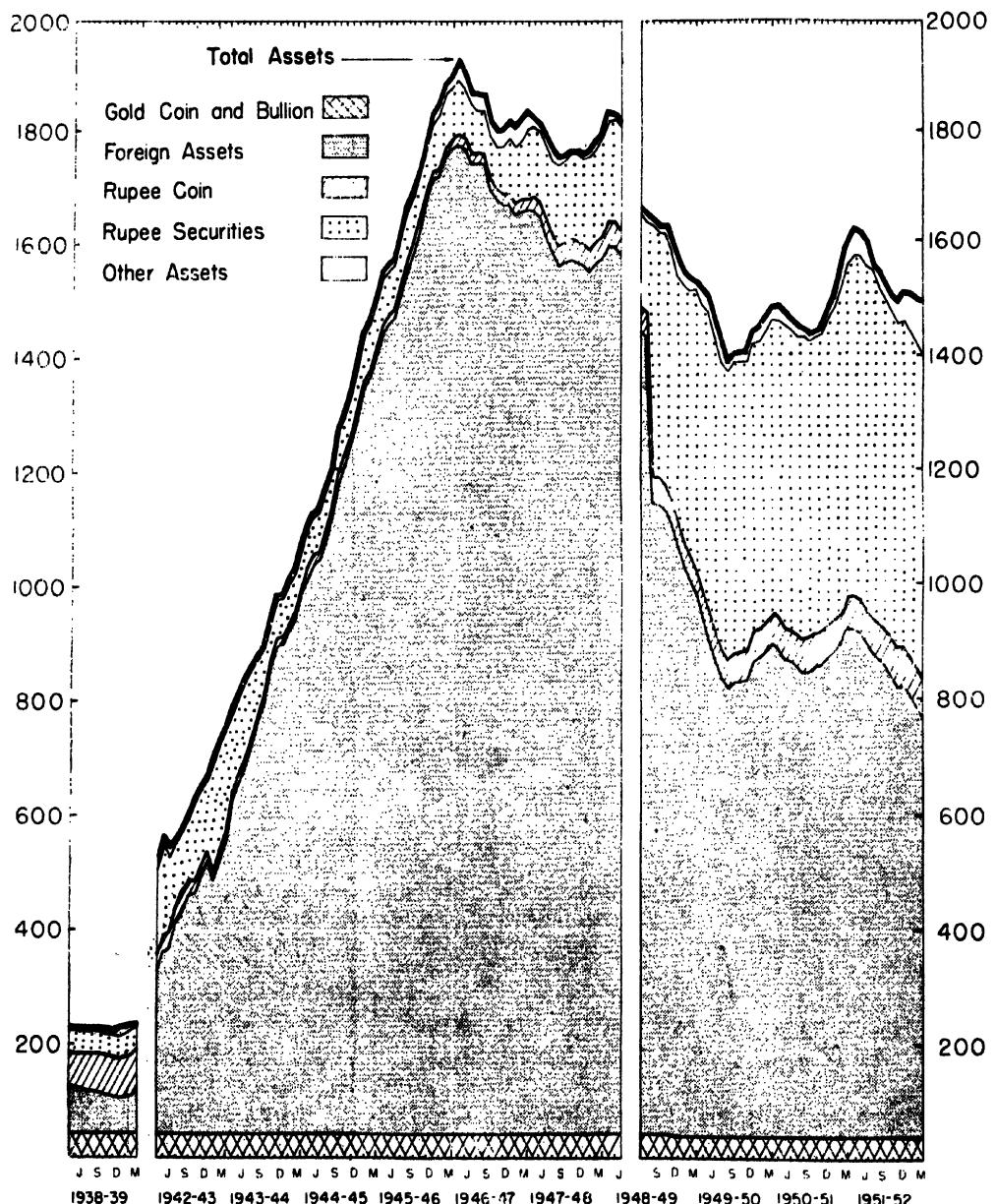
GRAPH 18

ASSETS OF THE RESERVE BANK OF INDIA

Issue and Banking Departments Combined

(AS ON LAST FRIDAY OF THE MONTH)

Lakhs of Rupees



34. Implementation of the Recommendations of the Rural Banking Enquiry Committee.—Mention was made in the last year's Report of the main recommendations of the Rural Banking Enquiry Committee. During the year under review, steps were taken to implement a number of these recommendations. An important recommendation of the Committee was that the Imperial Bank of India should extend its branches. As a result of discussions held in pursuance of this recommendation, the Imperial Bank of India agreed to open about 30 new branches before the end of June 1953 in addition to the conversion of some of its existing treasury pay offices into branches. It will receive a higher commission at the rate of 1/16th of 1 per cent on the turnover of the Government account at the new branches opened by it on or after July 1, 1951. In this connection, mention may be made of the revised Agreement between the Reserve Bank and the Imperial Bank of India regarding remuneration to be paid to the Imperial Bank as agent of the Reserve Bank. The following rates will be adopted for calculating the commission payable to the Imperial Bank of India on the turnover of the Government account for the quinquennium April 1, 1950 to March 31, 1955 :—

" On the first Rs. 150 crores	... @ 1/16th of 1 per cent.
On the next Rs. 300 crores over Rs. 150 crores...	@ 1/32nd of 1 per cent.
On the remainder of the total of receipts and disbursements dealt with annually on account of Government by the Imperial Bank on behalf of the Reserve Bank of India	... @ 1/64th of 1 per cent.

Provided that if the total turnover exceeds Rs. 1,200 crores during any year, the rate applicable to the turnover in excess of Rs. 1,200 crores would be 1/128th of one per cent."

The Committee recommended liberalisation of remittance facilities. Accordingly, a fifty per cent reduction was effected from September 1, 1951 in the rates of exchange on remittances (issued on behalf of commercial banks indigenous bankers and co-operative institutions) from the offices of the Reserve Bank, from branches of the Imperial Bank of India and from treasuries and sub-treasuries maintaining chests of the Issue Department of the Reserve Bank. Further, the scope of the facilities available to scheduled banks for the transfer of funds through the offices and agencies of the Reserve Bank was enlarged. The rate for a remittance upto Rs. 5,000 was reduced from 1/16 per cent to 1/32 per cent and for a remittance above Rs. 5,000 from 1/32 per cent to 1/64 per cent. Similar liberal facilities have also been made available to State Co-operative Banks, which maintain accounts with the Reserve Bank.

As regards the recommendation that the Reserve Bank should be appointed as the banker to Governments of all Part 'B' States, the Reserve Bank initiated a series of discussions with the Governments concerned. The Reserve Bank has also urged on the various State Governments the need for the reform of treasuries and sub-treasuries on the lines recommended by the Rural Banking Enquiry Committee. The Government of Bombay have already implemented this recommendation. Other State Governments are examining the financial and other implications of the suggestion.

The Rural Banking Enquiry Committee laid stress on the need for establishing a closer liaison between the Reserve Bank and the representatives, both official and non-official, of the Co-operative movement. Accordingly, a Standing Advisory Committee on agricultural credit (consisting of 14 members with the Governor of the Reserve Bank as Chairman) was constituted in July 1951. The inaugural meeting of the Committee was held in Bombay on August 22 and 23.

35. All-India Rural Credit Survey.—In view of the inadequacy of existing data on rural credit, a conference of economists and co-operators, convened in February 1951 by the Reserve Bank for the purpose of examining the role of the Bank in the sphere of rural finance, emphasised the need for an enquiry into rural credit conditions on an all-India basis. Following this, the Reserve Bank of India decided to appoint a small 'Committee of Direction' to plan and organise a Rural Credit Survey. The Committee was to guide the execution of the Survey, arrange for the compilation of results, give its findings on the data collected and make recommendations.

Seventy-five districts have been selected on a random sampling basis from the different 'homogeneous' geographical regions (based on the preponderance or otherwise of cash crops and of the percentage of area under irrigation). The villages in the districts have been divided into two groups depending on whether they have primary co-operative credit societies or not. From each such group, 4 villages have been selected, random sampling being used for the purpose with probability proportional to the population of the village. The total number of selected villages is 600.

Actual field work in the different States commenced between the last week of October and the middle of November 1951. A time schedule for the Survey has since been drawn up and it is expected that the Report of the Committee will be available in a few months.

36. All-India Industrial Tribunal (Bank Disputes).—Reference was made in last year's Report to the enactment of the Industrial Disputes (Amendment and Temporary Provisions) Bill on June 26, 1951 and the appointment a little later of a three-man Tribunal on July 17, 1951. The validity of the appointment of this Tribunal was challenged in a court of law on the ground that it was not an independent Tribunal. In the meantime the members resigned. On January 5, 1952 a new Tribunal, also consisting of three members, was appointed, which has called on the bank employees concerned to submit their demands in relation to matters in dispute.

37. Banking Legislation.—Consequent on the amendment to the Reserve Bank of India Act, referred to in last year's Report, the Scheduled Banks Regulations were suitably amended and recast so as to make them more precise and bring them in line with the provisions of the Banking Companies Act. The regulations relating to remittance facilities, which were brought into force from September 1, 1951, seek to liberalise the rates of remittances in favour of scheduled banks and also to enlarge the scope of remittance facilities offered by the offices and agencies of the Reserve Bank. Under the revised regulations, which came into force later from November 1, a scheduled bank incorporated in India has also to include in the relevant returns particulars of its offices outside India. The new regulations also state the procedure for classifying savings bank deposits into demand and time liabilities.

Certain amendments to the Banking Companies Rules and the forms prescribed under the Banking Companies Act and the Rules came into force on April 20. The more important of these are as follows:—

(1) the Reserve Bank is authorised to publish a list of securities approved by it, which could be treated as assets in India for the purpose of Section 25 of the Banking Companies Act, which requires banking companies to have a ~~minimum~~ 75 per cent of their demand and time liabilities at the end of every quarter invested in assets held in India;

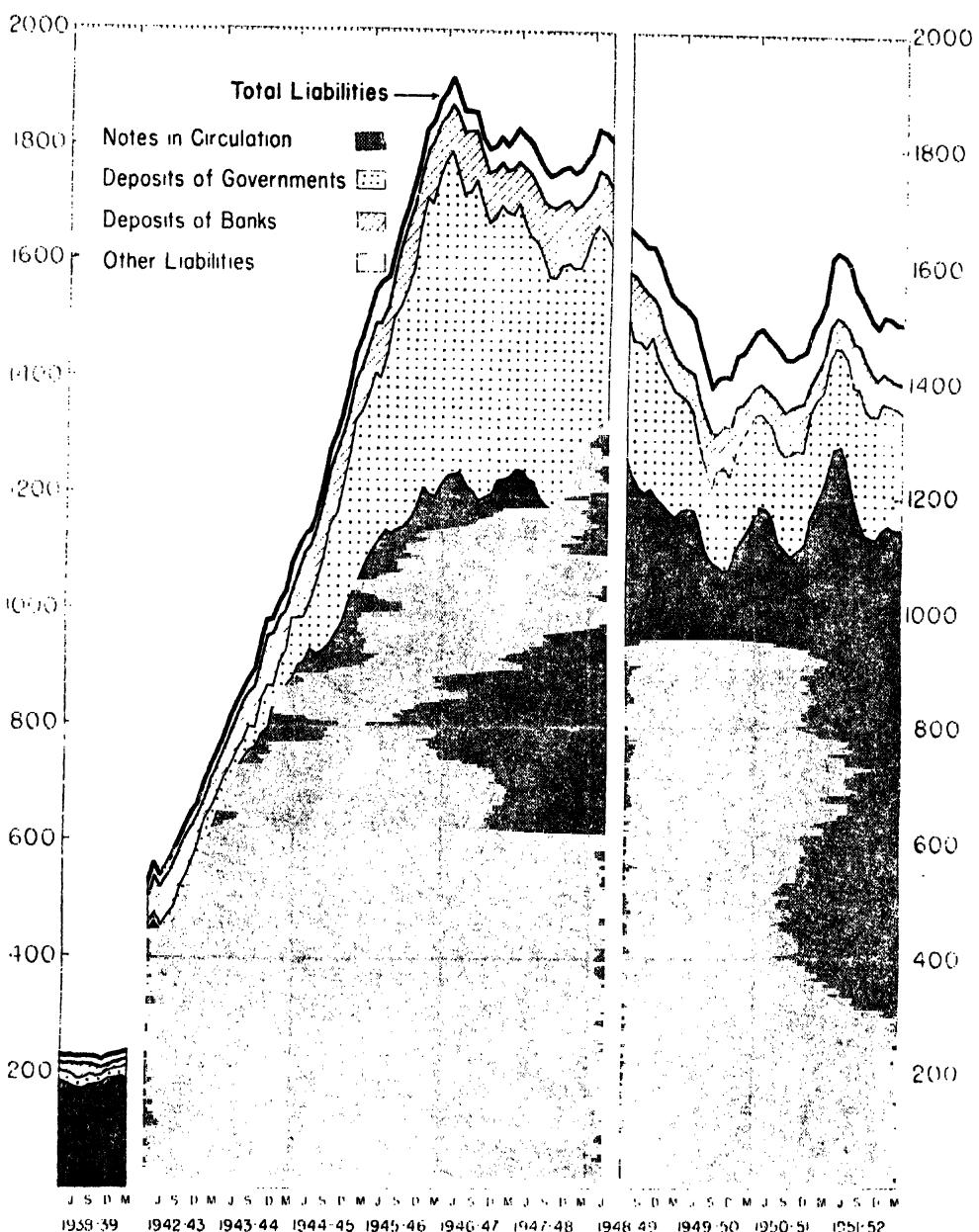
GRAPH 19

LIABILITIES OF THE RESERVE BANK OF INDIA

Issue and Banking Departments Combined

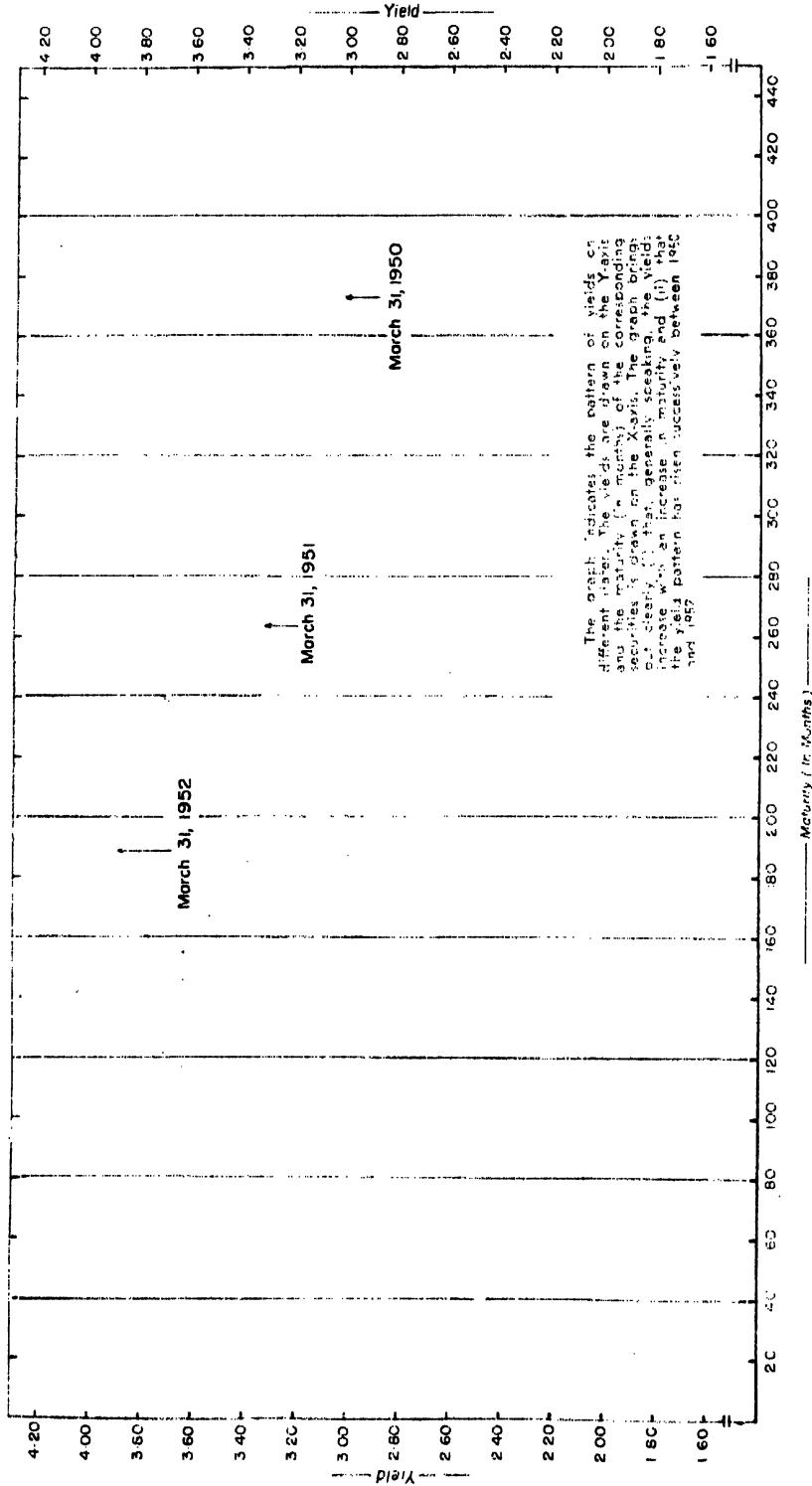
(AS ON LAST FRIDAY OF THE MONTH)

Cr. Rs. in lakhs



GRAPH 20

GILT-EDGED YIELDS IN INDIA



(2) banks may comply with the requirements of Section 31 of the Banking Companies Act by publishing their balance sheets and profit and loss accounts together with the auditor's reports, not only in the daily newspapers but also in banking, commercial, financial or economic journals;

(3) banks are no longer required to show in their balance sheets and profit and loss accounts the statutory reserves separately from other reserves including those earmarked for certain specific purposes; and

(4) ' Bills discounted and purchased ' which hitherto had formed a separate item, has been grouped under ' Advances ' and particulars under this main head are required to be given in respect of both ' Loans, cash credits, overdrafts ' etc. and ' Bills discounted and purchased '.

38. *Government Securities Market.*—The gilt-edged market witnessed a further decline during the year under review, in continuation of the trend during the latter part of 1950-51, the Reserve Bank average index number of Government of India securities (base : 1938 = 100) for 1951-52 averaging lower at 95.9 as against 100.1 for the previous year (*vide Statement 44*). During the first quarter of the year, the market moved downward under the impact of an unusually stringent and prolonged busy season, the decline, however, being rather small owing to the discriminating support of the Reserve Bank. The Reserve Bank index number of Government of India securities receded from 98.7 in March 1951 to 98.3 in June. During July-August the market tended to be steady, principally due to the advent of the slack season, the Reserve Bank index showing a slight increase to 98.4 in August. The improvement, ranging from two to eight annas, was noticeable mainly in the short and short-medium securities. Some of the long-dated ones, however, lost about two annas. During all these months the 3 per cent Conversion Loan of 1946 continued to rule at the official support price of Rs. 92-14, resulting in some disharmony in the yield pattern.

Mention may be made here of the successful flotation in August by the Government of India of a cash-cum-conversion loan (3 per cent Loan, 1958) at par for Rs. 50 crores. The terms of the loan reflected the altered pattern of yields as compared with the previous year, when 3 per cent was offered for a 14-year loan (3 per cent Loan, 1964).

In the following two months, that is, September and October, the gilt-edged market was a shade easy, especially in the medium and long-dated sections, the 3 per cent Conversion Loan quoting 3 annas lower at Rs. 92-11 (ex-voucher). The raising of the Bank rate by the Reserve Bank on November 15 to 3½ per cent and the withdrawal of partial support to Government securities given by the Reserve Bank from December 1950, resulted, as expected, in a steep fall in prices of the securities and an all-round adjustment in yields.

The Reserve Bank index number of Government of India securities declined successively from 98.0 on the week ended November 10 to 92.7 during the week ended December 1. The 3 per cent conversion loan, which was quoting at the official support level of Rs. 92-11 since September 17, declined sharply to Rs. 87-8 by November 15 and to Rs. 80 by December 3. Though the volume of sales seemed to be rather small, they were sufficient to bring a new equilibrium. With the re-emergence, however, of partial support to the 3 per cent Conversion Loan at Rs. 80 on December 5, the gilt-edged market tended to be steady and remained stable almost throughout the last quarter of the year. The grant of accommodation on a considerable scale by the Reserve Bank to scheduled banks

in the form of advances also afforded relief to the gilt-edged market. The announcement of an increase by $1\frac{1}{2}$ per cent in the Bank rate in the U.K. on March 11, however, produced temporarily a bearish sentiment in the gilt-edged market, but on learning that there was to be no change in the Indian Bank rate, the market showed a recovery in prices which was assisted by bear covering, especially in the 3 per cent Conversion Loan.

The closing prices for 1951-52 showed substantial declines in all sections compared to the prices a year ago, the undateds being the heaviest to suffer (*vide Statement 45*). The Reserve Bank index number of Government of India securities declined from 98.7 in March 1951 to 91.4 in March 1952, a decline of 7.4 per cent. The increase in yields during the same period varied from 0.29 to 0.91 per cent (*vide Statement 46* and Graph 20). The yields on a majority of loans rose by about half a per cent, that on the 3 per cent Conversion Loan by 0.48 per cent, from 3.23 to 3.71 per cent (flat yield); the latter was slightly below the yields on the longer-dateds, though the redemption yield on the Loan (to the earliest date) of 4.04 per cent was higher than those on the dated issues. In the latter part of the year, the spread between the shorts and the longs tended to narrow down somewhat.

The market for State Government loans was, by and large, inactive; price movements in these generally followed the Government of India loans, the extent of decline in the former, however, being much smaller. In September, five State Governments issued 3½ per cent Loans, 1962 for an aggregate amount of Rs. 10.75 crores, giving effective yields varying from 3.50 per cent to 3.56 per cent. The loans were fully subscribed.

39. Industrial Share Market.—The upward trend in the industrial share market noticed since the beginning of the Korean War continued during the first quarter of the year under review, mainly owing to increased production in major industries, Government's decision against the revaluation of the rupee, decontrol of the prices of raw jute and jute manufactures and the grant of an increase in cloth and steel prices. The Reserve Bank general index number of variable dividend securities (*base: 1938 = 100*) rose sharply from 132.8 in March 1951 to 138.0 in April and further to 138.8 in May; it continued around that level in June. During July and August, however, there was a sharp setback, which more than wiped out the gains registered since April. The decline was chiefly due to the prospects of an early termination of the Korean War, apprehensions of a nation-wide railway strike, a decline in the export of jute manufactures and the issuance in July of an Ordinance amending the Indian Companies Act. The ~~Ordinance~~ was further accentuated during the third quarter of the year under review; sentiment was adversely affected by other factors such as the passage of the Industries (Development and Regulation) Act, restrictions on cloth exports and reduction in prices of fine and superfine cloth, the cut in the supply of electric power in the Bombay-Poona region, the raising of the Bank rate and the promulgation of the Ordinance providing for compulsory provident fund for workers in six major industries. The latter half of December, however, witnessed a modest recovery, due to the optimistic view taken by the market of the Union Finance Minister's speech at the Annual Meeting of the Associated Chambers of Commerce at Calcutta on December 10, rumours regarding possible decontrol of steel and an increase of 30 per cent in the prices of fine and superfine cloth. The upward movement of the market proceeded until the middle of February, under the influence of a number of bullish factors, the most notable ones being the trends in the General Elections, better prospects of foreign economic aid and a favourable budgetary outlook.

The recovery, however, proved to be short-lived, a sharp fall in equity prices occurring during the second half of February, which continued through March also. The break was due to (1) the sudden decline in commodity and bullion markets, (2) the absence of any proposal for tax relief in the caretaker budget for 1952-53 and in the statement made by the Finance Minister in Parliament on March 3, (3) apprehensions about closure of textile mills owing to accumulation of stocks and (4) an unhealthy technical position. The weakness was in some measure the result of interlocking commitments undertaken by dealers who operated both in the share market and the commodity markets. Settlement difficulties were experienced, particularly in Bombay (where there is a considerable volume of forward trading for the account), and consequently normal trading was disrupted in nearly all the Stock Exchanges during March. The Governing Boards of the Exchanges had to take special measures to meet the situation, such as closing the markets either completely or for forward trading, imposing restrictions on sales and/or purchases and postponing settlement days. The Board of the Bombay Stock Exchange closed the market for forward business on March 7 and again on the 13th; on March 14, it obtained the State Government's consent to close the market for forward business upto March 27. Trading to the extent of squaring up transactions was, however, permitted from March 14, and the Board also fixed the making-up prices and contango charges for compulsory carry-over of forward business and postponed the settlement of March 22 to April 5. In view of the steadier trend noticeable towards the end of the month, the Board decided on March 26 to permit restricted forward trading in twelve important scrips and free trading in the remaining scrips with effect from March 27. Purchases of the twelve scrips were allowed, subject to submission of daily returns to the Board, while sales were allowed only against outstanding purchases. The reopening of the market resulted in fresh nervousness, and the authorities were compelled to close the market again from April 2 to May 7, although in the meanwhile forward trading was permitted on a restricted basis.

The Calcutta Stock Exchange was also closed from time to time between March 8 and March 18, when it was reopened for business in all shares, except Indian Irons, the official trading in which was resumed on March 25. The Madras Stock Exchange authorities issued a directive that, until further notice, all sellers should deliver, within 7 days from the date of the contract, the documents in respect of all contracts entered into from March 10. Towards the close of March, trading had almost returned to normal in the principal exchanges, with the exception of Bombay, where, in view of the large outstanding forward business, the exchange authorities thought it necessary to continue restrictions on trading.

On balance, the prices at the end of 1951-52 showed substantial losses over a wide front compared with the previous year's closing levels (*vide* Statement 47). The Reserve Bank general index of fixed dividend securities declined by about 8 per cent over the year, from 100.7 in March 1951 to 92.8 in March 1952 (*vide* Statement 44 and Graph 21). On a similar comparison, the Reserve Bank all-India general index of variable dividend securities registered a much sharper decline, from 132.8 to 115.5, or 13.0 per cent, in contrast to the increase of 15.4 per cent during the previous year. Only the cement sub-group recorded a rise, all the others showing losses varying from 4.9 per cent in textiles to 37.0 per cent in breweries. The decline was heaviest in Calcutta where the regional index recorded a fall of 16.0 per cent as compared with 9.0 per cent and 7.4 per cent, respectively, in Bombay and Madras. Sharp declines in the indices of jute, coal and mining and oil shares mainly contributed to the heavier decline in Calcutta.

~~H~~ By and large, the decline in the equities market seems to be in part due to a rise in the yield basis of equities expected by investors rather than to any decline in current profits. Indeed, during the year under review, company profits were generally higher than in the previous year, and in some cases dividends were stepped up. During the latter part of the year, there appeared to be a slight tendency for the spread between equity and gilt-edged yields to widen.

40. *New Issues.*—The control over capital issues, first instituted in May 1943, continued to be exercised during the year under review, and was further extended up to March 31, 1956, through the passage in February of the Capital Issues (Continuance of Control) Amendment Act, 1952, a feature of which is the provision for the levy of fees, in order to make the capital issues organisation self-sufficient as far as possible. Statements 48 and 49 give details of the working of the control. During the calendar year 1951, sanctions were given to 343 companies for new issues amounting to Rs. 59.55 crores, as compared with 263 companies in 1950 for Rs. 74.75 crores. While in 1950 new issues of leading companies mainly took the form of debentures, there were relatively more issues of preference and ordinary shares in 1951. The rate of interest on preference shares and debentures continued around 6 per cent.

41. *Industrial Finance Corporation.*—Loans and advances by the Industrial Finance Corporation of India showed a further rise to Rs. 6.55 crores at the end of March 1952 as against Rs. 5.21 crores at the end of March 1951 and Rs. 3.15 crores a year earlier. The Corporation's holdings of Government securities, on the other hand, fell from Rs. 4.58 crores at the end of March 1951 to Rs. 3.58 crores at the close of March 1952. The total resources of the Corporation improved slightly from Rs. 10.31 crores to Rs. 10.83 crores as a result of further sales of $3\frac{1}{4}$ per cent bonds, repayable in 1964, for Rs. 50.5 lakhs.

The State Financial Corporations Bill, a reference to which was made in last year's Report, was enacted on September 28, 1951. The provisions of the Act are similar to those of the Industrial Finance Corporation of India Act, 1948. The State Corporations will finance medium and small-scale ~~in various~~, which do not fall strictly within the scope of the all-India Industrial Finance Corporation. The share capital of a State Corporation will not be less than Rs. 50 lakhs and not more than Rs. 5 crores, subscription being open to the public to the extent of 25 per cent.

42. *Report of the Committee on Stock Exchange Legislation.*—In June 1951, the Government of India appointed a Committee under the Chairmanship of Mr. A. D. Gorwala to submit proposals, together with draft legislation, for the regulation of stock exchanges and of contracts in securities. The Committee submitted its Report the following month. The Report emphasises the need for effective regulation, both internal and external, of stock exchanges, the latter implying an adequate degree of Government control on an all-India basis. The control would normally extend to all contracts other than "spot contracts," but there is provision for bringing spot contracts also within the purview of control, should circumstances warrant such a course. The pattern of regulation recommended is one of "unitary control". In other words, no business in respect of securities which falls ~~within the regulations~~ can be legally conducted otherwise than through a "recognised" stock exchange, and only one stock exchange will be recognised for any particular area, suitable areas being notified for this purpose. Government will be vested with powers to amend the rules and the trading bye-laws of the recognised exchanges, and, in certain circumstances, to supersede the governing body of a recognised association or to withdraw the recognition conferred on the association.

The Committee's opinion is divided on the subject of blank transfers. One section holds that such transfers ought to be permitted to continue, while another favours restriction of their life to six months through the bye-laws of the exchange; still another section of the Committee feels that blank transfers may be given six months' validity under legislative sanction.

Other important recommendations of the Committee include : (1) lowering of stamp duties to a uniform level, (2) abolition of the distinction between listed and non-listed securities and powers for Government to compel any company to list its securities on the exchanges, (3) restrictions on 'taravani' business, (4) prohibition of brokers acting as principals without the knowledge and consent of their clients and (5) establishment of a clearing house for every exchange. With a view to advising Government in respect of the administration of the proposed Act, the Committee recommends the establishment of a Stock Exchange Commission. These proposals and the draft bill accompanying them are under the consideration of the Government of India.

43. Company Law Reform.—Two important developments in the sphere of company law during the year under review were the interim legislation imposing restrictions in regard to transfer of managing agency rights and the publication of the recommendations of the Company Law Committee, 1952.

In July 1951, the Government of India promulgated an Ordinance (which was replaced by an Act of Parliament on September 7, 1951) amending the Indian Companies Act with a view to preventing established and reputable joint-stock enterprises from falling into the hands of unscrupulous management wishing to acquire control without due regard for the interests of the investors and the companies. The amendment provides for the prior approval of the Central Government to any changes in the controlling interests of an existing company and to the imposition of onerous terms on it either by the present or the incoming management; it also provides for such remedial action as the Court may deem fit to order in case of gross mismanagement of a company's affairs either by its directors or managing agents. In terms of the above amendment, the Government of India set up a Commission to advise them in the exercise of the powers to accord or withhold approval to changes in the controlling interests of existing companies.

The Company Law Committee, which was appointed in October 1950 under the chairmanship of Mr. C. H. Bhabha, submitted its Report in March 1952. The recommendations of the Committee are comprehensive and cover the principal aspects of company formation and management. The Committee is of opinion that shorn of its abuses and malpractices, the managing agency system may yet prove to be useful. To prevent abuses and malpractices, it recommends that managing agency agreements should not exceed fifteen years and renewals should be limited to ten years. An easier procedure for the removal of fraudulent managing agents, and restrictions on the transfers of managing agencies with a view to checking trafficking in or cornering of managing agency rights have also been suggested. The commission which managing agents would be entitled to draw in future, is not to exceed 10 cent of profits. Other major recommendations of the Committee provide for : (1) the constitution of an independent board of directors representing primarily the interests of shareholders, to exercise of control by directors over managing agents, (2) disclosure by directors of all particulars relating to shares held by them in the company, (3) fuller details in company prospectuses, (4) detailed provisions relating to company meetings and proceedings, (5) division of capital into only equity and

~~preference shares and voting rights in strict proportion to the paid-up capital, (6) fullest measure of disclosure of the financial position of a company in balance sheets, (7) debarring of persons closely associated with managing agents from appointment as auditors and (8) investigation into the affairs of a company as well as into the ownership of shares and debentures so as to determine changes in the controlling interest of a company.~~ The Committee has suggested a Central Authority to carry out the duties relating to the administration of the company law, capital issue control and the regulation of stock exchanges, as also to keep in touch with the private investment market. The Committee has also recommended the appointment of whole-time Registrars of joint-stock companies in all areas, to work under the general control and supervision of the proposed Central Authority.

V. BULLION

44. *Bombay Bullion Market.*—The working of the Bombay bullion market during the year under review was eventful. In the early months of the year, speculative activity in a thin market, especially in silver, led to frequent crises, mainly as a result of the reported bull manipulations. Towards the close of the year also, emergency conditions developed in the market, following a sharp break in quotations in sympathy with falling commodity prices. These crises necessitated the intervention both of the Board of the Bombay Bullion Association and the Bombay Government.

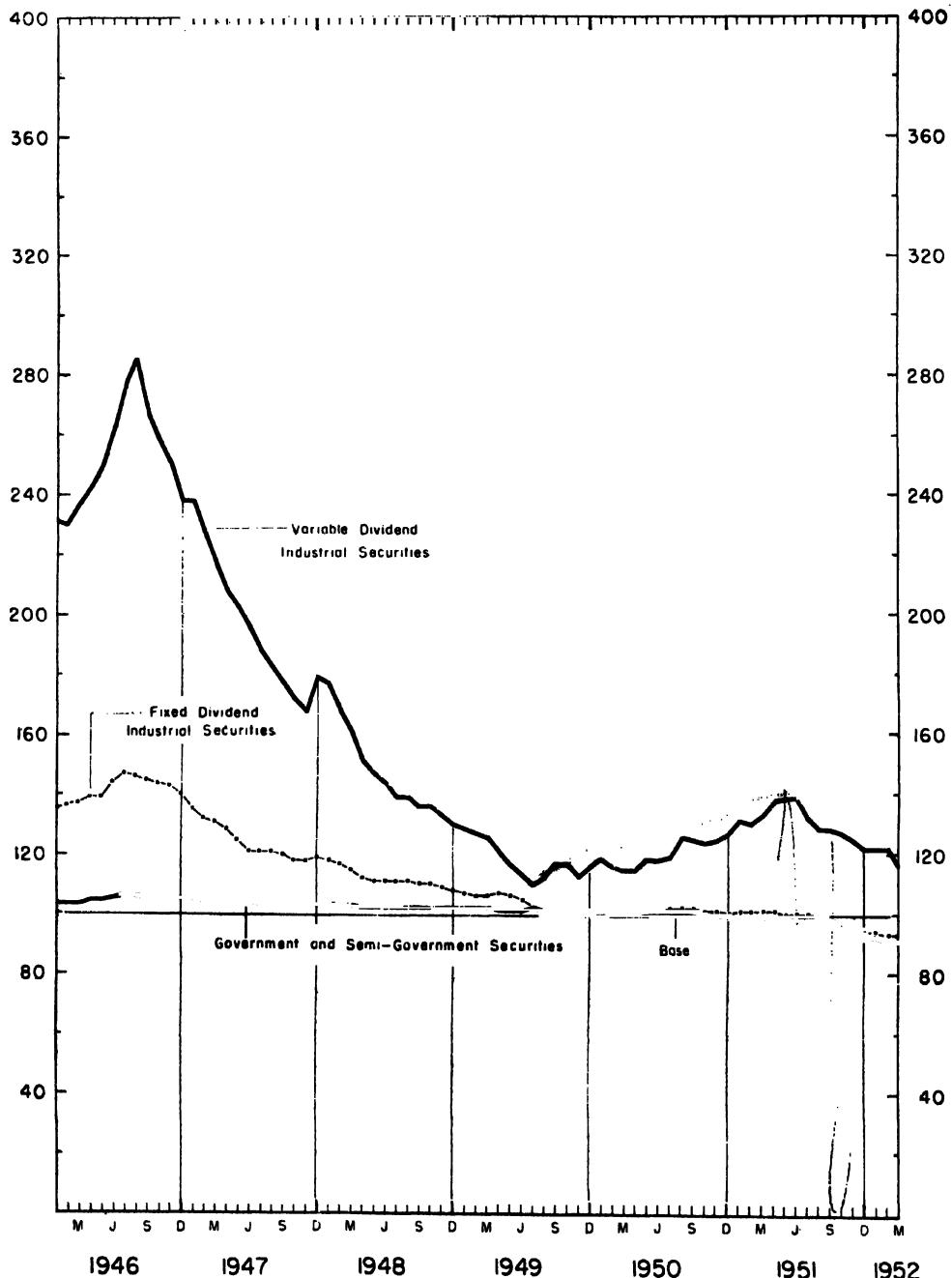
Following a steep rise in silver in the *Vaishakh* settlement (April 22—May 21), which pushed up the backwardation charges against the bears, the Board declared, on May 14, 'a state of unhealthy conditions' in the market in terms of bye-law 33A. No action was, however, taken by the Board, in view of the subsequent improvement in the market. A similar situation also developed in the *Jeth* settlement (May 22—June 19) in silver, when the Board was obliged to impose, in mid-June, a margin of Rs. 500 per bar on all outstanding purchases as well as sales over 100 bars, although later, sales against *bona fide* ready silver stocks were exempted from margins. The situation, however, showed no signs of improvement and the Board had to appoint a Committee for purposes of squaring up outstanding business. In the *Ashad* (June 20—July 18) settlement, *budla* charges against the bears in silver rose to exceptionally high levels and the Board again appointed a Committee, which succeeded in persuading the bulls to agree to square up their outstanding business. The Board thereupon withdrew its earlier resolution of July 16, which had empowered it to impose margins in terms of bye-law 33A. This led to a fresh outburst of bull activity and it was only after a warning had been issued by the Bombay Government that they would suspend forward trading if the existing conditions continued, that the outstanding business in the *Ashad* settlement was squared up.

In view of the failure of the existing bye-laws to deal with the crises effectively, the Bombay Government issued, on August 2, 1951, in terms of Section 7 of the Bombay Forward Contracts Control Act, 1947, certain new bye-laws and amended some of the existing bye-laws of the Bombay Bullion Association. Two new bye-laws (namely, 33C and D) provided for a system of automatic margins under which members are liable to pay specified margins to the Association, as soon as the prevailing price of any forward contract in relation to its official starting rate as well as the amount of the *budla* rose or fell by specified limits. As a result of this and the advent of the slack season, the bullish fervour which had characterised

GRAPH 21

INDEX NUMBERS OF SECURITY PRICES (ALL-INDIA)

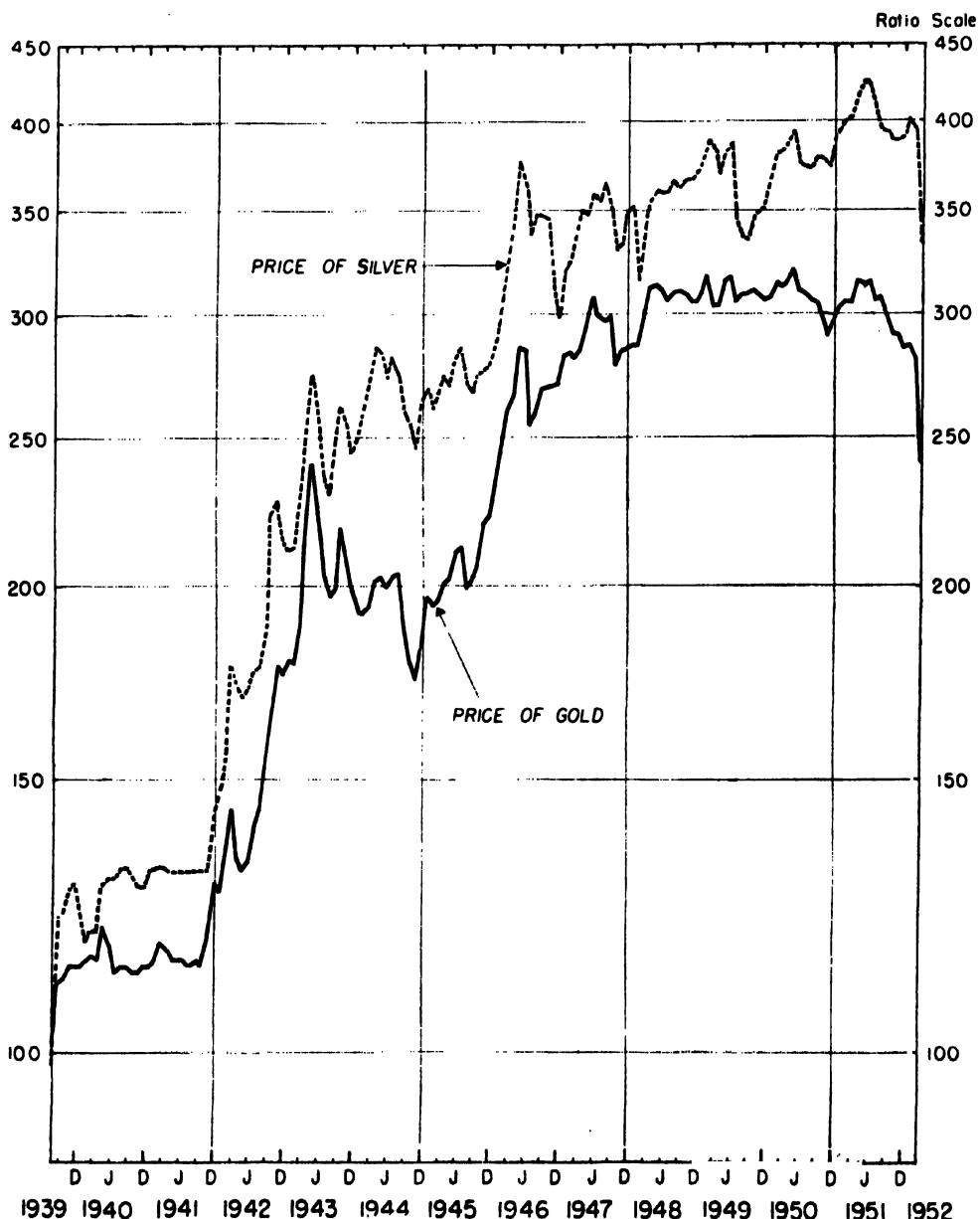
Base - 1938 = 100



GRAPH 22

INDICES OF BULLION (SPOT) PRICES

BASE — JUNE-AUGUST 1939 = 100



trading in the first few months of the year subsided and the market, on the whole, functioned smoothly until about mid-February 1952, when prices in both gold and silver showed a precipitate decline. This brought into operation in silver, on February 22, the automatic margin system under bye-law 33C(1) (b), which required bears to pay margins at the rate of Rs. 500 per bar on all outstanding sales in the *Fagan* (February 11—March 11) settlement. The downtrend, however, continued and with a view to averting the threatened crisis, the Board called for, from members, on February 29, daily statements of outstanding transactions in both gold and silver in the *Fagan* and *Chaitra* (March 12—April 9) settlements; the Board followed this up by imposing on March 1, in terms of bye-law 33A, margins at the maximum rates of Rs. 500 per bar on *all* outstanding sales in silver over 50 bars in the *Chaitra* settlement and Rs. 7 per tola on *all* outstanding sales in gold over 2,500 tolas in both the *Fagan* and the *Chaitra* settlements. On March 4, the Board passed a resolution declaring 'a state of emergency' in the market, and decided on the 8th to square up compulsorily all outstanding transactions in both the settlements at fixed rates. This was approved by the Bombay Government, which also permitted the Board to close the market for forward business until further notice. The forward market reopened for business on May 7, 1952.

The total amount of margin money paid to the Association during the year came to Rs. 32 lakhs for gold and Rs. 1.77 crores for silver, and the total stamp duty* paid to the Bombay Government amounted to Rs. 26 lakhs.

45. *Price Trends.*—Since the commencement of World War II, bullion markets in India have been functioning, more or less, in isolation from world bullion markets, owing to restrictions imposed on imports and exports of bullion (*vide* para. 95 of the Report for 1950-51), with the result that bullion prices in India have been generally ruling substantially higher than in world markets. Important developments in world markets, however, continued to influence market sentiment in India, particularly in gold. Apart from reports regarding the progress of peace talks in Korea, which influenced prices both ways, sentiment in India was also affected by the bearish outlook in world free gold markets stemming from the announcement, on September 28, by the International Monetary Fund leaving to member countries the discretion of taking the 'practical operating decisions' in regard to external premium transactions in gold (*vide* para. 7). Similarly, the decline in the world price of silver in October 1951 also had a temporary bearish effect on the price of silver in India.

Internally, price trends were generally influenced by speculative activity, particularly in silver, and the action taken by the authorities to check it. Following the usual seasonal pattern, prices of both gold and silver, particularly the latter, ruled firm till about the end of June, but tended to decline thereafter. The seasonal recession in prices between July and October was followed by a temporary up-trend in silver, although gold remained relatively subdued. Broadly speaking, the seasonal pattern was not uniformly maintained in the busy season of 1951-52, owing partly to the non-materialisation of the usual demand following the failure of crops in parts of the country and partly to the prevailing stringent monetary conditions. Both gold and silver ruled weak from mid-February, the decline being particularly marked in the closing month of the year. This trend appears to have been sustained by the reactions of a persistent downturn in other commodity markets and the consequent heavy unloading by traders of their stocks of gold and silver on the bullion market. It is interesting to compare bullion prices in Bombay during the 1951-52 busy season with those in the preceding busy season.

*At the rate of 3 annas for every 2,800 tolas of silver and 12 annas for every 250 tolas of gold.

End of	Gold (Spot) per tola				Silver (Spot) per 100 tolas					
	1950-51		1951-52		1950-51		1951-52			
	Rs.	a.	p.	Rs.	a.	p.	Rs.	a.	p.	
November	...	109	14	0	106	6	0	185	1	0
December	...	112	14	0	105	13	6	187	15	0
January	...	113	4	0	105	1	0	191	14	0
February	...	113	11	0	100	8	0	192	15	0
March	...	114	13	0	89	8	0	198	9	0
								157	0	0

Both gold and silver showed wide fluctuations during the year, the range of variations being substantially higher than in the previous year. The average spot price of gold worked out lower at Rs. 109.1.1, as against Rs. 113.7.4 for 1950-51, while that of silver was higher at Rs. 188.4.3, as against Rs. 185.14.3 in the preceding year (*vide Statement 52*). The Table below indicates the trends, on an annual basis, in the prices of gold and silver in the Bombay market.

Year	Gold (per tola)				Silver (per 100 tolas)					
	Spot		Forward		Spot		Forward			
	Rs.	a.	p.	Rs.	a.	p.	Rs.	a.	p.	
1938-39	...	35	10	3	36	4	3	51	11	3
1942-43	...	57	10	10	56	14	5	94	2	6
1946-47	...	101	1	2	96	14	0	102	4	10
1948-49	...	114	9	10	113	14	1	177	9	0
1949-50	...	114	14	11	113	8	4	174	11	10
1950-51	...	113	7	4	113	3	5	185	14	3
1951-52	...	109	1	1	110	14	10	188	4	3
								192	4	2

Note.—Figures are averages of closing quotations on working days.

During the year under review, there were no official sales of either gold or silver.

46. *Price of Gold.*—In the Bombay market (*vide Statements 50 and 51 and Graph 22*), the price of gold generally followed the trends in silver. Trading in gold in the early part of the year under review was generally characterised by a firm tone, owing mainly to sustained seasonal demand for the metal, a contributory factor being the growing tension in the international situation. The ready rate, which had closed at Rs. 114.18 on March 31, moved up on persistent buying support to Rs. 118.10 on April 17, this being the highest level of the year. A slackening in demand at the high levels, coupled with the reported heavy arrivals of gold,

accounted for a temporary recession, but a steady tone soon emerged on a revival of support and the quotation was generally well-maintained till about the close of June. Later, however, following reports of a sagging trend in world free gold markets, which was influenced by the truce proposals in Korea and rumours regarding revaluation of sterling, the market suffered a sharp setback, the rate declining to Rs. 110-14 by July 3. It improved to Rs. 114-5 by July 13 and moved round about this level upto end-August. A general downtrend set in thereafter, which lasted upto early December, the chief bearish factors affecting market sentiment being (1) the improved prospects of truce in Korea, (2) the announcement of a modification in the IMF's policy regarding premium gold sales and the possibilities of larger supplies of gold coming into world free markets, (3) the reported heavy arrivals of smuggled gold, (4) the switch-over of operators from Bombay to Delhi and Calcutta markets and (5) the non-materialisation of the usual seasonal demand. The ready rate, which had stood at Rs. 113-8 at the close of August, receded to Rs. 104-1-6 by December 4. A recovery ensued thereafter following some seasonal offtake and the rate improved to Rs. 106-15-0 by December 11, 1951, and moved around that level upto about mid-February 1952, when the market again turned weak, mainly in sympathy with the sharp fall in other commodity markets. The spot rate slumped heavily, falling by March 15 to Rs. 79-8, this being the lowest level since 1945-46. Owing to the steps taken by Government to activate international demand for our exports, which had a salutary effect on the domestic business outlook, a brisk recovery followed in the third week of March, but the undertone remained weak and the quotations again tended to decline towards the close of the year. The ready rate, which had moved up to Rs. 94-0 by March 22, fell back to Rs. 89-8 by the 31st, as against the preceding year's closing level of Rs. 114-13, the net fall over the year amounting to Rs. 25-5.

The range of fluctuations during the year was Rs. 39-2, as against Rs. 15-6 in 1950-51. The highest and the lowest rates were Rs. 118-10 (on April 17, 1951) and Rs. 79-8 (on March 15, 1952), the corresponding rates in the preceding year being Rs. 120-2 (on May 6, 1950) and Rs. 104-12 (on November 2, 1950). The premium of the ready over the forward varied between Rs. 1-15-0 and minus Re. 0-10-0.

47. *Price of Silver.*—The uptrend in silver noticed towards the close of 1950-51 gathered momentum early in the year under review, mainly on speculative support (*vide* Statements 51 and 53). This trend was assisted, among other factors, by the growing seasonal offtake and the failure, early in April, of an attempt by a section of the Board to impose margins on outstanding purchases. Ready silver rose from Rs. 198-9 on March 31 to Rs. 206-10 by May 10, but fell sharply to Rs. 202-8, following the decision of the Board of the Bombay Bullion Association, on the 14th, to call for statements of outstanding transactions over specified limits. The decline, however, proved short-lived and the quotation recovered thereafter on a revival of support based on encouraging upcountry advices and remained generally steady upto early June. Thereafter, it tended to rise again on renewed speculative support, soaring on June 16 to the highest level of the year at Rs. 207-4. A downturn set in thereafter and, except for occasional spurts, the quotation moved down to Rs. 186-8 by the close of July. The downward tendency was attributed to improved prospects of a 'cease-fire' in Korea and apprehensions of possible suspension of forward trading by the Bombay Government; a contributory factor was the failing-off in offtake with the progress of the slack season. The market ruled comparatively quiet during the succeeding two months, with quotations tending to lower levels during October. The issue of amended bye-laws by the Bombay Government, on August 2, had a generally subduing effect on the market, while sentiment was further affected

by discouraging advices from upcountry centres and heavy arrivals in relation to offtake ; the ready rate stood at Rs. 183.11 on October 30. Later, however, the market firmed up following an improvement in offtake, sentiment having been favourably influenced, among other factors, by the reported formation of a bull syndicate. The rate advanced to Rs. 194.14 by January 28 and was generally maintained around that level upto mid-February, when the market slumped heavily. The quotation dropped from Rs. 193.5 in mid-February to Rs. 142.0 by mid-March, thus falling below the world parity price for the first time since 1939 ; the rupee equivalent of the price of silver in New York as on that date worked out at Rs. 157.2. Despite a partial recovery to Rs. 167.0 in the third week of March on a revival of support at the lower levels, the rate closed for the year substantially lower at Rs. 157.0, as against Rs. 198.9 at the close of 1950-51.

The range of fluctuations in the rates for ready silver during 1951-52 was Rs. 65.4, as against Rs. 24.14 in the preceding year. The highest and the lowest rates were Rs. 207.4 (on June 16, 1951) and Rs. 142.0 (on March 15, 1952), the corresponding rates in the preceding year being Rs. 198.12 (on March 31, 1951) and Rs. 173.14 (on June 20, 1950). The premium of the ready over the forward rates ranged upto Rs. 14.0.

48. *Production* of Gold and Silver*.—The uptrend in India's gold production noticed during 1950 continued during 1951, the estimated output rising further from 196,925 ounces (valued at Rs. 5.92 crores) in 1950 to 226,231 ounces (valued at Rs. 6.67 crores). The Kolar Gold Fields in the Mysore State accounted for 216,755 ounces or 95.8 per cent of the total output, and the mines in the Hyderabad State for the balance of 9,476 ounces. Despite this rising trend in gold production, the output during 1951 was about 29 per cent below the prewar level of around 317,000 ounces in 1939. India's share of the total world output of gold for 1951 stood at 0.88 per cent, as against 0.75 per cent during 1950.

The production of silver in India also showed a further improvement during 1951, rising from 15,676 ounces (valued at Rs. 67,928) to 17,180 ounces (valued at Rs. 84,184). It was still 24.5 per cent below the 1939 figure of 22,746 ounces. The percentage share of India's output to the estimated world output of silver remained virtually unchanged around 0.01 per cent.

49. *Imports and Exports of Bullion*.—Restrictions on imports and exports of gold and silver (*vide* para. 95 of the Report for 1950-51) were continued during the year under review; consequently the quantities imported and exported were negligible (*vide* Statements 54-56). Arrivals of smuggled gold were reported to have slowed down in the closing month of the year, presumably as a result of the narrowing down of the price disparity between the Indian and world price levels, consequent on the sharp decline in India.

50. *Assaying and Refining of Bullion*.—During 1951-52, the Bombay Mint received, from the public and the banks, 19,858 tolas of gold for melting and assaying, as compared with 13,913 tolas last year. At the Calcutta and Alipore Mints, gold received during the year for melting and assaying amounted to 18,498 tolas and 21,258 tolas, respectively, as against 2,45,204 tolas received at the Calcutta Mint in 1950-51. Raw gold for refining received by the Bombay Mint during the year amounted to 27,43,054 tolas, as against 18,63,649 tolas in the previous year.

Silver received for melting and assaying during the year under review at the Calcutta and Alipore Mints amounted to 1,68,051 tolas and 61,30,122 tolas,

* Figures for 1951 are provisional.

respectively, as against 96,29,401 tolas received at the Calcutta Mint last year. The Bombay Mint received 1,21,256 tolas of silver for melting and assaying during the year, as against 1,27,020 tolas in 1950-51. The quantity of silver received for refining during 1951-52 at the Bombay Mint was 44,45,600 tolas, as against 16,50,439 tolas in the previous year.

As from March 1952, the charge for melting gold at the India Government mints was raised from 8 pies to 10 pies per tola of gross weight and the minimum charge for any tender from Rs. 3 to Rs. 4. The charge for refining gold was also increased from 2½ annas to 3 annas per tola of gross weight and the minimum charge from Rs. 20 to Rs. 25. The existing concessional refining charge for gold tenders weighing above 10,000 tolas was also withdrawn. No change was, however, made in the current charges for the melting and refining of silver.

VI. PUBLIC FINANCE

51. General.—The main characteristics of the budgetary position of the Government of India as well as of the State Governments during the last few years have been surpluses on revenue account and much larger deficits on capital account, resulting in overall deficits. 1950-51, however, provided, an exception to the above trend, the Central budget for that year showing, for the first time in several years, an overall surplus of Rs. 12 crores. In 1951-52 (revised) and 1952-53 (budget), both the Central Government and the States show overall deficits, the combined figures being, respectively, Rs. 65 crores and Rs. 140 crores (*vide* Table on page 72 and Statement 57). In 1952-53, the combined position of the Centre and the States shows a deficit on revenue account* also of Rs. 8 crores as compared with surpluses of Rs. 95 crores and Rs. 62 crores in 1951-52 and 1950-51, respectively. This is principally due to a decline in revenue by Rs. 96 crores in comparison with 1951-52; expenditure shows a rise of Rs. 7 crores only.

In 1951-52 (revised), the Central budget showed a small overall deficit† of about Rs. 4 crores, which is expected to increase to Rs. 76 crores in 1952-53. The revenue surplus in 1951-52, namely, Rs. 93 crores was the highest on record and was higher than the budget estimate for that year by Rs. 67 crores. This was primarily due to increased receipts under customs, resulting from larger imports at higher prices, and enhancement of export duties owing to a wide disparity in prices of export commodities in India and abroad. The capital account for that year, however, showed greater unbalance in comparison with the budget estimates, but the position was eased considerably by the use of the counterpart funds arising from the Rs. 90 crore Wheat Loan by the U.S. Government and, to a smaller extent, from the wheat obtained under the Colombo Plan.

The deterioration in the estimated budgetary position of the Central Government in 1952-53 is principally on revenue account, through a sharp decrease in the surplus from Rs. 93 crores in 1951-52 (revised) to Rs. 4 crores in 1952-53

* Based on the final budget in respect of the Centre and interim budgets in respect of States.

† The cash balance as on March 31, 1952 shows that there was an overall surplus of Rs. 4 crores.

CONSOLIDATED FINANCES OF THE CENTRAL AND PART 'A' AND 'B' STATE GOVERNMENTS

(Crores of Rupees)									
1950-51 (Accounts)					1951-52 (Revised)				
		Receipts		Disburse- ments	Surplus(+) or Deficit (-)	Receipts		Disburse- ments	Surplus(+) or Deficit (-)
I. Revenue Account									
Centre	410.66	351.44	+ 59.22	497.67	405.06	+ 92.61	404.98
Part A States*	(289.88)	293.14	- 3.26	307.67	316.34	- 8.67	308.74
			(294.32)	(293.14)	(- 1.18)	(316.89)	(316.39)	(+ 0.50)	(314.82)
Part B States... Total	92.83	91.30	.. 1.53	105.44	103.20	+ 2.24	104.62
II. Capital Account			783.87	735.88	- 57.49	910.78	824.90	+ 86.18	818.34
			(787.81)	(735.88)	(- 61.93)	(920.00)	(824.85)	(+ 95.35)	(824.42)
Centre**	120.80	167.59	- 46.79	145.99	242.30	- 96.31	84.86
Part A States†	67.25	69.20	- 1.95	83.13	116.83	- 33.70	99.23
Part B States†	21.02	23.07	- 2.05	21.17	23.51	- 21.44	20.03
III. Total (I + II)	209.07	259.86	- 50.79	281.19	382.64	- 151.45	204.12
IV. Excluding from III, to avoid double counting, grants and loans by the Centre to the States	1,002.44	995.74	+ 6.70	1,141.97	1,207.24	- 65.27	1,022.46
			902.09	895.39	- 6.70	1,028.99	1,084.26	- 65.27	902.47
									1,042.54 - 140.07

Note.—Data for 1952-53 are based on the final budget in the case of the Central Government and on interim budgets in the case of State Governments.

* Excluding withdrawals from and transfers to Revenue Reserve Funds. Figures in brackets are inclusive of these withdrawals and transfers as shown in the budget papers of the States. ** Receipts include net miscellaneous receipts. Both receipts and disbursements exclude appropriations to Contingency Fund in 1950-51 and the amount represented by the net sale proceeds of U. S. loan wheat credited to Special Development Fund in 1951-52 and 1952-53. † Disbursements comprise capital outlay outside the revenue account and repayment of loans to the public and loans from the Central Government, market borrowings and net of other debt, deposits and miscellaneous receipts.

‡ There is difference between the provisions made under these two items by the Centre and the States; lower provisions have been taken into account.

(budget), reflecting mainly the impact on customs receipts of the setback in prices abroad and in India. In the 1952-53 budget, no new taxation proposals have been made, though in between the interim and the final budgets, Government either removed or lowered export duties on a number of commodities, in particular, jute manufactures. The large deficits on capital account of the Central Government for the last few years have been occasioned by larger outlays and smaller receipts. Loans to States, mainly for development purposes, which are the most important item in the capital budget, have been increasing. Receipts from internal loans have been declining and indeed there has been a net outgo on this account since 1947-48. The borrowing programme of the Central Government was scaled down in recent years in consonance with the money market conditions. In these circumstances, the role of small savings in the mobilisation of capital required for national development has become very important and it is encouraging to note that there has been a steady increase in the receipts under this head of public debt.

A noteworthy feature of the consolidated budgetary position of the States has been the recurrence of surpluses on revenue account, though the budget estimates forecast deficits. In 1951-52, the Part 'A' States had a revenue surplus of Rs. 0.50 crore and the Part 'B' States of Rs. 2.24 crores, against anticipated deficits of Rs. 2.80 crores and Rs. 0.73 crore, respectively. On combined revenue and capital accounts, however, there was an overall deficit of Rs. 62 crores. In 1952-53, the revenue budgets are expected to show deficits of Rs. 8.5 crores and Rs. 2.8 crores, respectively, in the Part 'A' and Part 'B' States, resulting mainly from slightly lower revenue and much larger expenditure. These are, however, based on interim budgets. The overall deficit is expected to be about Rs 12 crores higher in Part 'A' States and about Rs. 9 crores lower in Part 'B' States, than in 1951-52. The aggregate deficit of all the States will thus be Rs. 3 crores more than in 1951-52.

The term of the Income-Tax Investigation Commission, appointed in 1947 for investigating concealed income which had escaped taxation during the period 1939-47, was due to expire on March 31, 1951; Government, therefore, took legislative action to extend its term periodically as required. By a notification dated March 29, 1951, the tenure of the Commission has now been extended up to December 31, 1952. The total number of cases disposed of by the Commission up to March 1952 was 661, involving a concealed income of Rs. 29.16 crores, of which as much as Rs. 25.40 crores was accounted for by cases settled by agreement.

In May 1951, a special drive for clearing the arrears of income-tax was launched, the amount of such arrears having been estimated at over Rs. 152 crores. In view of the difficulties experienced by assessee in paying a lump sum on account of arrears accumulated over a long period, a concessional scheme was introduced in that month under which assessee were allowed to pay the arrears according to an agreed instalment plan, provided the outstanding taxes were paid by March 31, 1952, any penalty imposed for non-payment of taxes being either reduced or remitted according to the circumstances of each case. Assessee were also allowed to bring into their account so much cash as represented an estimated tangible addition for the income declared, without attracting penalty, prosecution or further tax, provided the cash so introduced was utilised for payment towards outstanding demands. These concessions were not to apply to cases in which settlement had been made by the Income-Tax Investigation Commission.

At the same time, in view of the existence of a large number of assessee, whose cases had not been referred to the Investigation Commission and who

were anxious to make a disclosure but did not do so for fear of penalty or prosecution, it was announced on May 20, 1951 that such persons as might voluntarily disclose their concealed income before September 30, 1951 would be granted immunity from prosecution and penalty; this date was later on extended to October 22, 1951. The total amount of income thus disclosed was of the order of Rs. 65.46 crores upto March 31, 1952. The demand in settled cases amounted to Rs. 6½ crores, of which the amount actually collected upto March 31, 1952 was Rs. 4.1 crores.

The total amount brought to light under the scheme of voluntary disclosure and by the Income-Tax Investigation Commission upto March 31, 1952 was Rs. 94.62 crores.

52. *Sharing of Revenue between Centre and States.*—At present, the share of Part 'A' States in the net proceeds of income-tax is 50 per cent; the percentage shares of individual States under the Doshmukh Award, which has been in force since 1950-51, are 17.5 for Madras, 21 for Bombay, 13.5 for West Bengal, 18 for Uttar Pradesh, 5.5 for the Punjab, 12.5 for Bihar, 6 for Madhya Pradesh, and 3 each for Assam and Orissa. So far as the jute duty is concerned, the share of States entitled to it, which had been fixed at 62½ per cent under the Niemeyer Award, was reduced after Partition to 20 per cent, and allocations to individual States were made in the proportion of jute grown, additional *ad hoc* grants being made to West Bengal in consideration of its special difficulties caused by Partition. Under the new Constitution, while the proceeds of the jute duty are assigned wholly to the Centre, the States of West Bengal, Assam, Bihar and Orissa have been allotted grants-in-aid (in lieu of share in the jute duty) for a period of 10 years or for so long as the duty may last, whichever may be earlier. The grants-in-aid fixed under the Doshmukh Award are: West Bengal Rs. 1,05 lakhs, Assam Rs. 40 lakhs, Bihar Rs. 35 lakhs and Orissa Rs. 5 lakhs.

As regards Part 'B' States, under the scheme of integration of federal finances, these, as a whole, are entitled to a share in income-tax in the same proportion as Part 'A' States, but this share is set off against any grants payable by the Centre to these States for meeting the actual loss caused to them by the lifting of federal revenue and expenditure in their budgets. The income-tax collected in these States is accordingly not included in the divisible pool, but half of the net proceeds in each State is computed as its share and paid to it or set off against the grants payable to it. As Mysore, Hyderabad, Travancore-Cochin and Saurashtra are receiving grants to meet their revenue deficits, which are higher than their estimated shares of income-tax revenue, no payment on income-tax share is made to them. The payment by the Centre to the above States in respect of their revenue deficits was Rs. 11.24 crores for 1951-52; in 1952-53 it is estimated at Rs. 10.41 crores. The Unions of Madhya Bharat, Rajasthan and PRPSU are, however, entitled to receive a share of income-tax, the total provision made in this behalf being Rs. 34 lakhs in 1951-52 and Rs. 31 lakhs in 1952-53.

The details of payments by the Centre to Part 'A' and Part 'B' States, in respect of (1) income-tax share, (2) grants in lieu of jute duty, (3) revenue gap payments and (4) other statutory grants, are shown in the Tables on pages 75 and 76.

The Finance Commission, as contemplated in Article 280 of the Constitution, was appointed on December 1, 1951, to make recommendations to the President as to (a) the distribution between the Union and the States of the net proceeds of taxes which are to be, or may be, divided between them and the allocation between the States of the respective shares of such proceeds; (b) the principles

which should govern the grants-in-aid of the revenues of the States out of the Consolidated Fund of India ; (c) the continuance or modification of the terms of any agreement entered into by the Government of India and Part 'B' States under Clause (1) of Article 278 or under Article 306 ; and (d) any other matter referred to the Commission by the President in the interests of sound finance. The Finance Commission has made an interim recommendation, since accepted, that pending its final recommendations, and the decisions that may be taken upon them, the existing arrangements for the allocation of income-tax and payments of grants-in-aid, may be continued on the understanding that the final decision on its recommendations will be given effect to from April 1, 1952. For 1952-53, provision for payment of the divisible share of income-tax and grants-in-aid to States has, therefore, been made on the existing basis. The Finance Commission has received memoranda from the States as well as from various commercial bodies and associations, and is expected to submit its report to Government by November next.

The tendency towards increase in Part 'A' States' share under income-tax receipts and statutory grants from the Centre noticed since the outbreak of World War II continued, the total amount received by these States rising from Rs. 8.38 crores in 1939-40 to Rs. 52.84 crores in 1950-51 and Rs. 60.06 crores in 1951-52 ; in the latter year the share of income-tax alone accounted for Rs. 52.31 crores. For 1952-53, however, the total provision in this behalf is placed lower at Rs. 57.81 crores, reflecting mainly the decline under Centre's total collections of income-tax. Of this, Rs. 50.48 crores** will be on account of Part 'A' States' share of income-tax, Rs. 1.51 crores on account of revenue gap payments for merged areas and the balance of Rs. 5.82 crores on account of statutory grants-in-aid. Income-tax shares of individual Part 'B' States are shown in Table on page 76.

ALLOCATION OF INCOME-TAX PROCEEDS AND GRANTS-IN-AID TO PART A STATES

Year	Income Tax	Revenue Gap	Jute duty	Subven- tion	(Crores of Rupees)		Total
					Other Grants- in-aid		
1939-40*	2.79	—	2.56	3.03	—		8.38
1942-43*	10.90	—	1.40	2.75	0.01		15.06
1949-50	45.74	—	1.94	0.70	2.45		50.88
1950-51	46.97	1.96		3.91			52.84
1951-52 (Revised)	52.31	2.53		5.22			60.06
1952-53 (Budget)	50.48**	1.51		5.82†			57.81

* Figures relate to undivided India. ** Inclusive of Rs. 5 crores on account of arrears in respect of previous years. † Comprising Rs. 1.85 crores under Article 273 of the Constitution in lieu of a share in jute duty, Rs. 70 lakhs under Article 275 (i) as grants-in-aid to Assam and Orissa, Rs. 1.80 crores lump sum provision for grants-in-aid under provisos to Article 275 (i), Rs. 1 crore for special assistance to States on account of natural calamities and Rs. 47 lakhs for grants to Orissa for construction of new capital.

**ALLOCATION OF INCOME-TAX AND GRANTS-IN-AID FROM THE CENTRE
TO PART 'B' STATES**

	Revenue Gap Payments			Income-Tax Allocations		
	1951-52 Budget	1951-52 Revised	1952-53 Budget	1951-52 Budget	1951-52 Revised	1952-53 Budget
Hyderabad ...	... 1,16	1,16	1,16	—	—	—
Madhya Bharat	... —	—	—	16	6	7
Mysore	... 3,45	3,45	3,45	—	—	—
PEPSU	... —	—	—	22	15	11
Rajasthan	... —	—	—	17	13	13
Saurashtra	... 2,50	3,00	2,75	—	—	—
Travancore-Cochin...	... 2,80	3,63	3,05	—	—	—
Total	... 9,91	11,24	10,41	55	34	31

SHARE OF INCOME-TAX REVENUE PAYABLE TO STATES

	(Lakhs of Rupees)	
	1951-52 Revised	1952-53 Budget
Total taxes on income other than Corporation Tax, excluding Central surcharge and advance payments	... 105,97	97,53
Deduct—Portion attributable to taxes on Central emoluments and to Part C States and miscellaneous receipts	... 4,36	4,52
Deduct—Share of cost of collection	... 1,99	2,05
	Balance	99,62
Deduct—Amount to be retained by the Central Government	... 49,81	45,48
Amount payable to States	... 49,81	45,48
Add—Previous Year's arrears	... 2,50	5,00
	Total	52,31
Add—Amount payable to Part 'B' States and merged territories	1 39	36
	Total	52,70
		50,84

A. BUDGETS

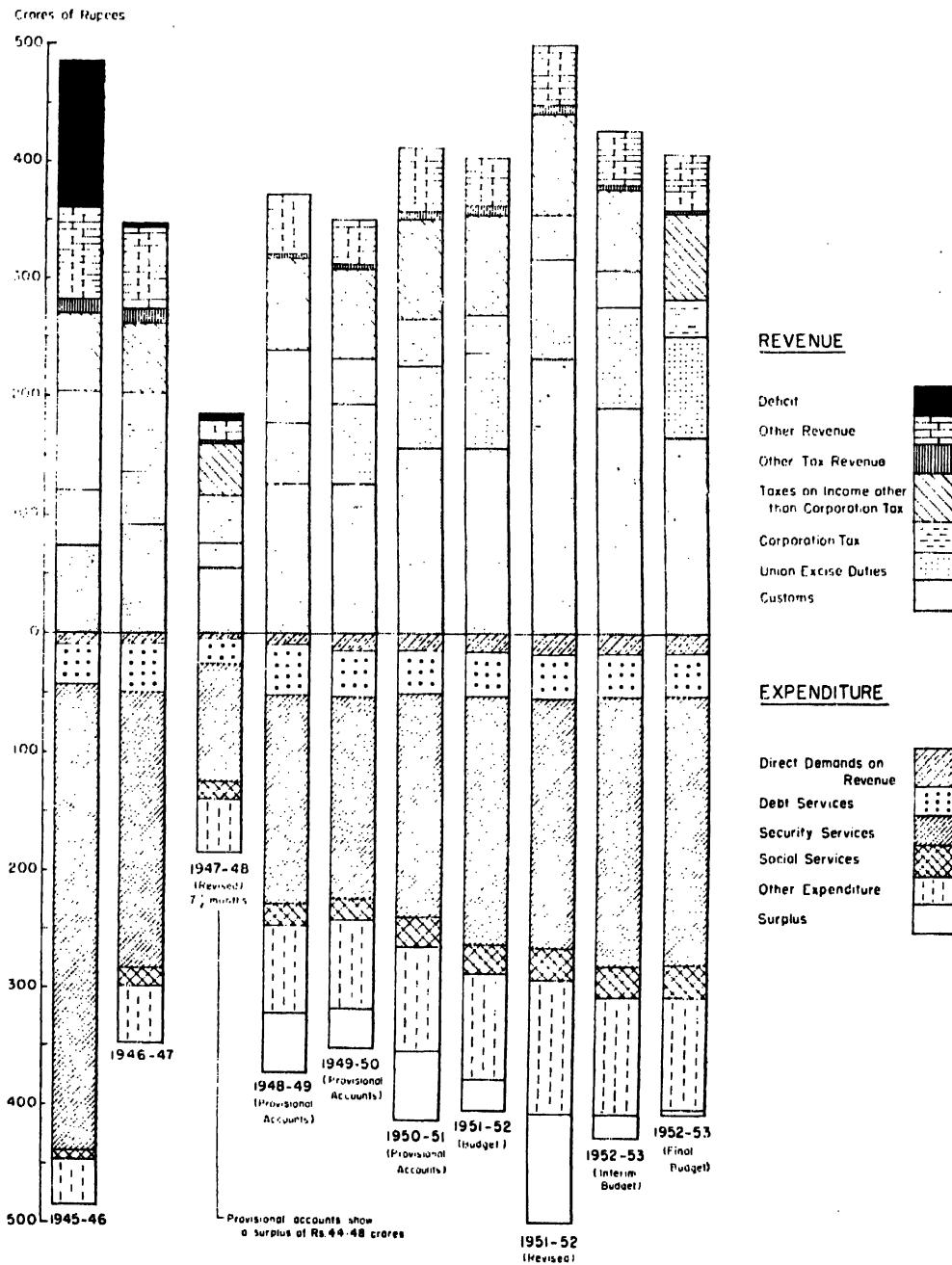
CENTRAL GOVERNMENT :

53. *Revenue Account, 1950-51, Accounts.*—The accounts* for 1950-51, as compared with the revised estimates for that year, showed an increase under revenue and a decline under expenditure, thus resulting in a larger surplus. Revenue at Rs. 410.66 crores (*vide* Statement 57 and Graph 23) was higher by Rs. 23.45 crores, as a result mainly of larger receipts from customs and income-tax, while expenditure at Rs. 351.44 crores was lower by Rs. 27.84 crores, mainly under defence, civil administration and miscellaneous items. The surplus amounted to Rs. 59.22 crores as compared with Rs. 7.93 crores only in the revised estimates.

* Provisional.

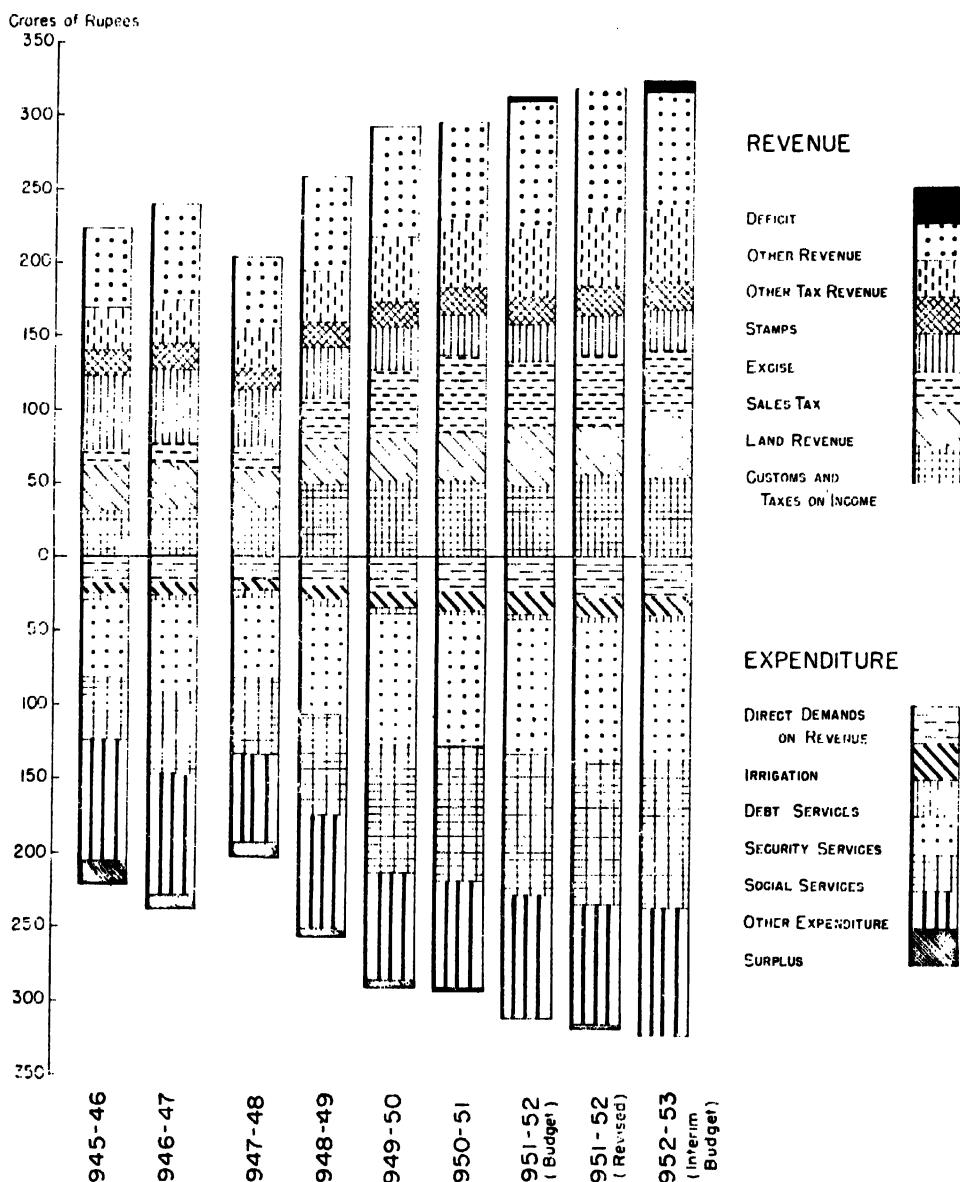
GRAPH 23

FINANCES OF THE GOVERNMENT OF INDIA
(REVENUE ACCOUNT)



GRAPH 24

BUDGETARY POSITION OF PART A STATES
(REVENUE ACCOUNT)



54. 1951-52, Revised Estimates.—The revised estimates for 1951-52 place revenue and expenditure at Rs. 497.67 crores and Rs. 405.06 crores, respectively, or Rs. 95.78 crores and Rs. 29.27 crores higher than the budget estimates; consequently, there was a record surplus of Rs. 92.61 crores, as compared with the budget estimate of Rs. 26.10 crores only.

Of the increase in revenue, as much as Rs. 75.96 crores was accounted for by customs, the receipts under which touched an all-time high of Rs. 232 crores. Two-thirds of the increase occurred under import duties as a result of larger imports and higher income from *ad valorem* duties resulting from an increase in import prices; the remainder came from enhanced export duties, mainly on jute manufactures. Income-tax collections yielded an additional Rs. 10.05 crores, owing largely to the special drive for collection of arrears and to the operation of the scheme for voluntary disclosure of hidden incomes. Receipts under Union excise duties were also higher by Rs. 4.68 crores.

The increase in expenditure during the year was largely under civil expenditure, distributed as under : (1) Rs. 13.34 crores on food subsidies and procurement bonus, (2) Rs. 4 crores on relief of displaced persons and (3) Rs. 2.37 crores under civil administration.

55. 1952-53, Budget Estimates.—The estimates for 1952-53 are not strictly comparable with those for the preceding year, owing to the exclusion from 1952-53 of transactions relating to Part 'C' States, as a result of the Government of Part 'C' States Act, 1951. The budgets of these States, namely, Himachal Pradesh, Vindhya Pradesh, Bhopal, Ajmer and Delhi will hereafter be presented to their respective Legislatures. In the case of Delhi, however, the above-mentioned Act makes a reservation in regard to police, public order and lands and buildings in that State, the receipts and expenditure pertaining to these being included in the Central budget.

56. 1952-53, Interim Budget.—After the first General Elections under the new Constitution, Parliament was expected to assemble in May 1952. Following the usual practice, therefore, on February 29, 1952, an interim budget for 1952-53, on the basis of existing taxation, was presented to the outgoing Parliament and a Vote on Account was obtained to meet the anticipated expenditure of Rs. 271.79 crores during the first four months of the year and to approve the continuance of existing measures of taxation. With revenue at Rs. 424.98 crores and expenditure at Rs. 406.25 crores, the budget revealed a surplus of Rs. 18.73 crores*.

Total revenue estimated in the interim budget for 1952-53 is lower than the revised estimate for 1951-52 by Rs. 72.69 crores. This large reduction is mostly accounted for by anticipated declines under customs and income-tax. Receipts under customs at Rs. 190 crores are expected to show a decline of Rs. 42 crores over those in 1951-52 which of course were unusually high (*vide* Statement 58); over half of the decline is under import duties and the rest under export duties, the latter as a result of the reduction on February 18, 1952 of the duty on hessian by 50 per cent. Total collections under taxes on income, including corporation tax, at Rs. 150 crores, are also lower by Rs. 25 crores due to (1) the clearance of a large amount of arrears, (2) the gradual disappearance of arrear collections of the discontinued taxes like the BPT, EPT and CGT, and (3) the fall in the

*The surplus was expected to rise to Rs. 33.73 crores, as a result of the estimated saving of Rs. 15 crores following the decision to abolish substantially food subsidies from March 1, 1952.

profits of certain industries. The receipts under corporation tax alone are expected to be less by Rs. 7.02 crores. Receipts from Union excise duties, however, are expected to be higher by Rs. 1.70 crores, mainly due to higher yields from duties on tobacco and motor spirit and smaller refunds.

Total expenditure in 1952-53 is estimated at Rs. 406.25 crores or Rs. 1.19 crores higher than in 1951-52 (revised). The increase of Rs. 16.71 crores under defence to Rs. 197.95 crores is nearly offset by a decline of Rs. 15.52 crores in civil expenditure to Rs. 208.30 crores. The increase in defence outlay is due mainly to carry-over of certain liabilities for stores on order not received in 1951-52. The decline in civil expenditure is accounted for mainly by a reduction of Rs. 13.66 crores in food subsidies.

57. *1952-53, Final Budget.*—The variations in the final budget estimates presented on May 23, 1952, as compared with the interim budget, are confined to only four items, as a result of which both revenue and expenditure will be lower by Rs. 20 crores and Rs. 5 crores, respectively. The receipts under customs at Rs. 165 crores are lower by Rs. 25 crores, reflecting the further estimated effect of the reduction or abolition of export duties on a number of articles, announced since March 15, 1952. As against this, receipts under income-tax other than corporation tax, are shown higher by Rs. 5 crores, owing to an expected improvement in advance collections. Thus there would be a net decline of Rs. 20 crores under revenue, which is now placed at Rs. 404.98 crores. On the expenditure side, the provision for food subsidies is reduced by Rs. 10 crores from Rs. 25 to Rs. 15 crores. Grants to States, however, show a rise of Rs. 5 crores. As a result, total expenditure at Rs. 401.25 crores shows a net decline of Rs. 5 crores. Revenue surplus is thus placed lower at Rs. 3.73 crores as against Rs. 18.73 crores in the interim budget.

58. *Capital Account.*—In 1950-51, actual receipts and disbursements (excluding Contingency Fund of Rs. 15 crores) on capital account at Rs. 105.55 crores and Rs. 167.59 crores, respectively, were less than the revised estimates for that year by Rs. 14.10 crores and Rs. 19.03 crores, resulting in a reduced deficit at Rs. 62.04 crores as against the estimated deficit of Rs. 66.97 crores. The reduction in expenditure is mainly accounted for by lower capital outlay and declines in loans and advances and in discharge of permanent debt.

Excluding a sum of Rs. 71 crores representing the sale proceeds of U.S. Loan Wheat, which figures on both sides of the account*, the revised estimates for 1951-52 place receipts and expenditure at Rs. 145.84 crores and Rs. 242.30 crores, respectively, as against the budget estimates of Rs. 165.33 crores and Rs. 243.16 crores. The deficit of Rs. 96.46 crores is Rs. 18.63 crores more than the original estimate (*vide Statement 59*).

On the receipts side, the largest decline was under 'new loans' (internal), the actual receipts on account of which were Rs. 50.36 crores as against the budget estimate of Rs. 100 crores†. Also there was a sharp reduction under floating debt and a

* It has been decided that the sale proceeds of wheat purchased from the loan given to India by the United States Government should be transferred to a Special Development Fund for financing development schemes and for grant of loans to States for assisting them in the execution of their development schemes. As the sale proceeds of the wheat are initially credited to the head "Capital outlay on schemes of Government trading" and merge in the general balances of the Central Government, the transfer to the Fund is treated as a specific item of expenditure and debited to this head.

† Against this, the discharge of permanent debt was Rs. 91.62 crores.

larger net outgo on account of excess profits tax and income-tax deposits, partially offset by a rise under net receipts on account of Treasury Deposit Receipts and under repayment of loans by the State Governments. The major portion of the capital receipts is accounted for by the counterpart funds arising from the U.S. Government loan of Rs. 90 crores for the purchase of foodgrains and the proceeds of the food grants amounting to Rs. 5.33 crores received under the Colombo Plan. These sale proceeds are credited to a Special Development Fund, to be used for financing development schemes and for grants of loans to States for assisting them in the execution of their development schemes. In 1951-52, Rs. 76.33 crores* were credited to this Fund, from which Rs. 15 crores were disbursed as loans to States.

Disbursements, on the other hand, were lower than provided for in the budget by about Rs. 1 crore, mainly on account of reductions in the outlay on State trading, industrial development and civil works, partly offset by an increase under the outlay on defence and multi-purpose river valley schemes. Capital outlay on railways, defence, schemes of State trading, industrial development, civil works, multi-purpose river valley schemes, posts and telegraphs, national highways and other roads, etc. amounts to Rs. 74.79 crores†, which is lower than the budget estimate by Rs. 2.33 crores. Advances to States, including Rs. 15 crores given out of the Special Development Fund, amount to Rs. 78.78 crores as against the budgeted amount of Rs. 62.62 crores.

In the interim budget for 1952-53, receipts and disbursements are placed at Rs. 47.79 crores and Rs. 148.94 crores, respectively, leaving a deficit of Rs. 101.15 crores as against Rs. 96.46 crores in 1951-52 (revised). On the receipts side, in view of the unchanged conditions in the capital market, credit has been taken for only a modest sum of Rs. 25 crores by way of internal loans. Transactions in Treasury bills are expected to balance, while those in TDRs are estimated to result in a net outgo of Rs. 5 crores. Net collections under small savings are expected to improve by Rs. 4.05 crores. Net outgo on account of EPT and IT deposits is estimated to be less by Rs. 22.37 crores. Total disbursements at Rs. 148.94 crores are less than in 1951-52 (excluding the transfer of Rs. 71 crores to the Special Development Fund) by Rs. 93.36 crores. This is due mainly to a smaller discharge of permanent debt at Rs. 6.20 crores as against Rs. 91.62 crores in 1951-52. For capital outlay the provision made is Rs. 68.72 crores as against Rs. 74.79 crores in 1951-52 and Rs. 56.02 crores‡ in 1950-51. Of this, Rs. 16.79 crores is for civil works (including Rs. 6.50 crores for national highways and other roads and Rs. 5.50 crores for construction of houses for displaced persons), Rs. 15.36 crores for railways, Rs. 9.85 crores for industrial development, Rs. 17 crores for defence, Rs. 4.85 crores for posts and telegraphs and Rs. 3.07 crores for multi-purpose river valley schemes. Advances to States, including Rs. 25 crores to be given from the Special Development Fund, are placed at Rs. 82.84 crores; these include Rs. 37 crores for irrigation, Rs. 14.11 crores for rehabilitation of displaced persons, Rs. 7.62 crores for grow more food schemes and Rs. 21.25 crores for miscellaneous development works. The total provision for river valley schemes, made under capital outlay as well as in advances to States, is Rs. 40.07 crores as against Rs. 36.45 crores in 1951-52 (revised).

According to the final budget as presented on May 23, receipts and disbursements are estimated at Rs. 71.79 crores and Rs. 174.19 crores, respectively, as

* Of this, Rs. 71 crores represented the sale proceeds of the U.S. Loan Wheat.

† Excluding Rs. 71 crores representing the sale proceeds of the U. S. Loan Wheat transferred to the Special Development Fund.

‡ Excluding Rs. 15 crores transferred to the Contingency Fund.

compared with Rs. 47·79 crores and Rs. 148·94 crores in the interim budget. The deficit at Rs. 102·40 crores is thus slightly higher by Rs. 1·25 crores. This may widen by another Rs. 3 crores on account of the anticipated decline under net miscellaneous receipts. The rise in the deficit is accounted for by an additional provision of Rs. 21·25 crores (1) for loans on account of minor irrigation works (Rs. 10 crores), industrial housing (Rs. 5 crores) and community development projects (Rs. 6 crores) and (2) for investment in shares of the Machinery Manufacturing Corporation (Rs. 0·25 crore), offset to the extent of Rs. 17 crores by additional receipts from the sale proceeds of U. S. Loan Wheat (Rs. 10 crores) and materials likely to be received under the Indo-U.S. Technical Co-operation Agreement (Rs. 5 crores) and by recoveries of short-term loans from State Governments (Rs. 2 crores).

The estimated total disbursements* of the Government of India under combined revenue and capital heads in the final budget for 1952-53 amount to Rs. 596·44 crores as against Rs. 662·36 crores in 1951-52 (revised) and Rs. 519·03 crores in 1950-51 (accounts). The overall deficit as reflected in the depletion of the cash balance is placed at Rs. 75·60 crores for 1952-53. The closing cash balance of the Government of India at the end of 1952-53, which, in the interim budget was placed at Rs. 101·89 crores, is now estimated at Rs. 83·08 crores, of which about Rs. 40 crores will be the unspent balance of foreign aid received by Government and kept in the Special Development Fund.

NET RECEIPTS AND DISBURSEMENTS OF THE CENTRAL GOVERNMENT

(Crores of Rupees)

	1950-51	1951-52		1952-53	
		Accounts	Budget	Revised	Interim Budget
RECEIPTS					
Revenue Surplus	59·22	26·10	92·61	18·73
Surplus on Capital Account	—	—	—	—
Miscellaneous Deposits & Advances (Net)	17·66	—	0·20	25·63
Remittances (Net)	—	1·30	—	0·43
Transfer of Cash between England and India	0·40	—	—	—
Total Receipts	77·28	27·40	92·81	44·79
Opening Balance	149·50	95·42	161·94	158·24
Total	226·78	122·81	254·74	203·03
DISBURSEMENTS					
Revenue Deficit	—	—	—	—
Deficit on Capital Account	62·04	77·83	96·46	101·14
Miscellaneous Deposits & Advances (Net)	—	1·44	—	—
Remittances (Net)	2·81	—	0·04	—
Transfer of Cash between England and India	—	—	—	—
Total Disbursements	64·85	79·27	96·50	101·14
Closing Balance	161·93	43·54	158·24	101·89
Total	226·78	122·81	254·74	203·03
<i>Overall Surplus (+) or Deficit (-)</i>	+12·43	-51·38	-3·70	-56·35
					-75·60

* Including advances to states from the Special Development Fund of Rs. 31 crores in 1952-53 and Rs. 15 crores in 1951-52.

59. Development Expenditure.—With the launching of the Five-Year Plan in 1951-52, both the magnitude and the pattern of expenditure in the public sector were shaped by considerations of accelerating development without accentuating inflationary pressures. With a view to achieving these objectives, a more intense effort was made during the year to co-ordinate the fiscal and monetary policies in order to effect the maximum possible mobilisation of domestic capital resources and to organise effective control over credit and the supply of money. The monetary measures undertaken during the year are described in Chapter IV; the balance of payments position in 1951-52 and the changes effected in trade policy will be covered in the next chapter. Here, an attempt is made to analyse the Central and State budgets, with a view to indicating the extent of developmental outlay and the methods of financing it.

Estimates of the expenditure on development and/or refugee rehabilitation incurred by the Central Government, railways and the Governments of Part 'A' and 'B' States during the years 1950-51, 1951-52 and 1952-53 are given in the Table below. The figures for 1951-52 are based on revised estimates whereas those for 1952-53 are based on the May 1952 budget in the case of the Centre and on the interim budgets presented early in the year in the case of State Governments. It should be emphasised that development expenditure on revenue account is not shown separately in the State budgets and for the Central Government, only the budget estimates of development expenditure on revenue account are available. It has, therefore, been assumed in the case of the States that a certain percentage of expenditure under "developmental heads"** on revenue account constitutes outlay on developmental schemes proper, that is to say, schemes which have been included in the Draft Five-Year Plan of the Planning Commission. In the case of the Centre it has been assumed that development expenditure on revenue account amounts roughly to Rs. 10 crores each year. Further, part of the development expenditure of the States on revenue and capital accounts is financed through Central grants or loans; care has been taken to isolate, to the extent possible from budget papers, the portion of development expenditure of the States covered by Central grants and loans.

DEVELOPMENT EXPENDITURE OF THE PUBLIC SECTOR

(Crores of Rupees)

					1950-51 (Accounts)	1951-52 (Revised)	1952-53 (Budget)
1. Centre	...	...	...	...	108	142	175
2. Railways	...	...	...	...	61	77	79
3. Part 'A' States—							
(i) Revenue Account	...	...	...	...	35	38	39
(ii) Capital Account	...	...	...	...	75	92	119
4. Part 'B' States—							
(i) Revenue Account	...	...	...	...	8	9	10
(ii) Capital Account	...	...	...	...	16	24	23
Total	...	...	...		303	382	445

(continued)

* "Developmental heads" include, in the main, irrigation, electricity schemes, civil works, scientific departments, education, medical and public health, agriculture, rural development, veterinary, co-operation, industries and civil aviation.

(continued)

5. Less Central grants and loans to States for development	... ... ...	51	65	95
Total Development Expenditure	... ... ...	252	317	350

Notes on Items :

1. Includes, besides direct expenditure on developmental schemes (excluding railways) grants and loans to States for development and rehabilitation of refugees, and loans to others, such as the Rehabilitation Finance Administration, displaced persons, shipping, iron and steel industry etc. Development expenditure on revenue account is assumed at Rs. 10 crores in all the three years. In addition, in 1952-53, the expenditure on revenue account of Rs. 3 crores on community development projects and of Rs. 2 crores on industrial housing are taken as part of Centre's direct expenditure.
2. Includes outlay on current depreciation (Rs. 30 crores each year, as taken by the Planning Commission).
3. (i) Rough approximations. It is assumed that 25 per cent of the outlay under 'developmental heads' constitutes expenditure on schemes included in the Five-Year Plan. Excludes expenditure on refugee rehabilitation.
(ii) Includes expenditure on the 'Central' multi-purpose river valley schemes but excludes expenditure on refugee rehabilitation, apart from what forms part of the outlay under "civil works".
4. (i) 20 per cent of the outlay under 'developmental heads'. Excludes expenditure on rehabilitation of refugees.
(ii) See 3 (ii) above.
5. This item covers grants and loans by the Centre for GMF, irrigation purposes, industrial housing, and miscellaneous development. Other loans to States (such as ways and means advances) are treated as part of 'non-development expenditure of the Centre'. Grants and loans for rehabilitation of refugees have not been deducted, since they have not been included under (3) and (4), except in so far as they are utilised for financing construction expenditure under "civil works."

For the two-year period 1951-53, development expenditure in the public sector thus adds up to Rs. 667 crores. In the first part of the Draft Five-Year Plan, a total outlay of Rs. 655 crores was envisaged for these two years; this was exclusive of Rs. 30 crores each year on current depreciation of railways, which has been included in the total of Rs. 667 crores derived here. On a comparable basis with the Five-Year Plan (i.e. excluding the current depreciation expenditure of the railways), the budgeted outlay on development in the two years 1951-52 and 1952-53 would, therefore, amount to Rs. 607 crores, or Rs. 48 crores less than that envisaged in the Plan. This difference is probably due to the fact that some of the schemes included in the Five-Year Plan will only be reflected in the final version of the States' budgets, details of which are not available at the time of writing this Report.

The revised estimate of the total receipts of the Central and State Governments during 1951-52 amounted to Rs. 1,068 crores as against Rs. 921 crores in 1950-51; the corresponding figure in the budget estimates for 1952-53 is Rs. 933 crores. These totals are exclusive of transfers from the Revenue Reserve Funds maintained by the State Governments, and net receipts from Cash Balance Investment Accounts. They include, however, the Central Government's gross borrowings

abroad in 1951-52 and 1952-53, amounting to Rs. 93.24 crores and Rs. 14.06 crores, respectively. The following Table shows a rough breakdown of the total receipts of the Central and State Governments :—

CURRENT RECEIPTS ON REVENUE AND CAPITAL ACCOUNTS OF GOVERNMENTS

						(Crores of Rupees)		
						1950-51 (Accounts)	1951-52 (Revised)	1952-53 (Budget)
I. Central Government								
(i) Revenue receipts	...	...	...	...	...	411	498	405
(ii) Capital receipts*	...	...	...	...	...	129	199**	144**
(iii) <i>Less</i> loans repaid by States	...	...	...	...	...	8	12	11
						532	685	538
II. Part 'A' States								
(i) Revenue receipts†	...	...	...	...	...	290	308	309
(ii) Capital receipts§	...	...	...	...	...	24	10	5
III. Part 'B' States								
(i) Revenue receipts†	...	...	...	...	...	93	105	105
(ii) Capital receipts§	...	...	...	...	...	14	—4	7
IV. Total 'A' and 'B' States								
V. Less Grants from Centre to States								
VI. Net Receipts of States (IV—V)								
VII. Total Resources of Governments (I+VI)								
						921	1068	933

* Includes gross receipts under permanent debt; net receipts from floating debt, small savings and unfunded debt; gross repayments of loans by States and others; net receipts from miscellaneous deposit accounts, and other miscellaneous receipts on capital account. Excludes net additions to the Railway Funds (which are treated as part of Railway's resources), and the Funds from the sale proceeds of U. S. Loan Wheat, Canadian Wheat and commodities received under the Indo-U.S. Technical Co-operation Agreement.

** These are inclusive of Government borrowings abroad, amounting to Rs. 93.24 crores (Rs. 90 crore loan from the U. S. A. for purchase of wheat, and Rs. 3.24 crores drawn from loans granted by the I.B.R.D.) in 1951-52, and to Rs. 14.06 crores in 1952-53.

† Excluding transfers from Revenue Reserve funds, but including grants from the Centre.

§ Excluding loans from the Centre. Covers gross receipts under other permanent debt, net receipts from floating and unfunded debt, miscellaneous net receipts on capital account. Repayment of permanent debt is treated as part of non-development expenditure on capital account.

Rs. 197 crores or about 18 per cent of the total resources in 1951-52 devoted to defence; Rs. 684 crores or 64 per cent was utilised for administrative and other expenditure of a non-developmental nature which included ordinary or recurring expenditure under 'developmental heads'. The resources available from current receipts of Governments for purposes of financing development thus amounted to Rs. 187 crores in 1951-52. The corresponding amount for 1950-51 was also Rs. 187 crores; and for 1952-53, the budget estimate of such resources comes to Rs. 150 crores. The greater part of these resources accrued to the Central Government, which, in their turn, made substantial amounts available to State Governments, through various grants and loans.

In addition to these, the railways were able to find substantial amounts for financing their development and rehabilitation programmes. Altogether, the resources of the railways, including appropriations (excluding interest accruals) to the Depreciation, Revenue Reserve, and Development Funds, and expenditure on 'open line works' met from ordinary revenues amounted to Rs. 48 crores

in 1950-51 and Rs. 58 crores in 1951-52 (revised estimates); they are estimated at Rs. 60 crores for 1952-53. The capital expenditure of the railways during 1950-51 and 1951-52 was Rs. 61.3 crores, and Rs. 76.9 crores, respectively; in 1952-53 it is estimated at Rs. 79.1 crores, the difference between the railway expenditure and their own resources being met from the Central Government's budget.

For the public sector as a whole, available resources fell short of the requirements and therefore a part of the development expenditure had to be financed partly by drawing down on cash balances. The following Table summarises the position regarding the requirements, resources, the magnitude of the deficit, and the manner in which it was covered :—

REQUIREMENTS FOR DEVELOPMENT, RESOURCES AVAILABLE AND COVER FOR DEFICIT

			(Crores of Rupees)	1950-51	1951-52	1952-53
I. Requirements for the Development Programme		252	317	350
II. RESOURCES AVAILABLE FOR DEVELOPMENT		235	245	210
(i) Total resources (including railways)		969	1128	993
(ii) Less (a) defence outlay*		168	197	215
(b) other non-development expenditure on revenue and capital accounts**		566	684	568
III. Shortfall (—) in Resources	—17	—72	—140
IV. Cover for Deficit						
A) CENTRE	12	11	76
(i) Net receipts from Cash Balance Investment Account	24	7	—
(ii) Decline or increase (—) in cash balances		—12	4	76
B) 'A' STATES	5	42	54
(i) Net receipts from or payments (—) to Cash Balance Investment Account	—5	9	31
(ii) Net withdrawal from or additions (—) to Reserve Funds	14	17	18
(iii) Decline or increase (—) in cash balances		—4	16	5
C) 'B' STATES	—	19	10
(i) Net receipts from or payments (—) into Cash Balance Investment Account	7	5	3
(ii) Decline or increase (—) in cash balances		—7	14	7

* Includes revenue and capital outlays on defence.

** Covers security and administrative expenditure, 'ordinary' expenditure under developmental heads on revenue account; not outlay on schemes of State trading, commutation of pensions, refund of EPT and Income-tax deposits by the Centre, repayment of permanent debt by the Centre and States, etc.

It will be observed that in the above Table, net withdrawals from the cash balance investment account, and net withdrawals from accumulated reserves or special funds are, like the reduction in cash balances, treated as means for covering the deficit rather than as receipts from the public during the year. On this basis, large deficits were incurred in 1951-52 by State Governments, despite developmental grants and loans by the Centre amounting to Rs. 65 crores. The Central Government, on the other hand, ended the year with a deficit of Rs. 11 crores instead of a deficit of Rs. 57 crores expected at the beginning of the financial year, due partly to unexpectedly large receipts from customs and partly to the U. S. Wheat Loan of Rs. 90 crores. So far as the estimates for 1952-53 are concerned, the position is different ; the deficit in the Central budget estimated at Rs. 76 crores is larger than that likely to be incurred by the States*.

Despite the fact that revenue receipts of the Central Government were unexpectedly high in 1951-52, resources earmarked for development programmes were no larger than in the previous year, partly because receipts from public borrowing were less than budgeted for, and partly because it was not possible for State Governments to increase their resources through additional tax measures as recommended by the Planning Commission. The resources estimated as available for development in 1952-53 are even smaller than in 1951-52, since, with the change in the international situation, the revenue receipts of the Central Government are expected to be smaller than in the last year, and many of the State Governments are yet to take steps to augment resources.

In view of the limitations in regard to raising domestic resources beyond a certain point, and taking into account the urgent need for development of the economy, the Draft Five-Year Plan envisages substantial foreign assistance for financing the development plan of the public sector. Taking both the first and the second parts of the Five-Year Plan, outlay in the public sector for the five-year period 1951-56 is put at Rs. 1,793 crores†. The domestic resources for financing this outlay is estimated at Rs. 1,121 crores, leaving thus a gap of Rs. 672 crores to be covered by foreign assistance or other means.

The Draft Five-Year Plan is in the process of being finalised, and pending the publication of the final version the most recent information available on the development programme of the public sector is that given in the first annual report of the Colombo Plan. This revised version of the Plan, which in essence is the projection of the Five-Year Plan over the six-year period 1951-57, involves an outlay of Rs. 2,334 crores in the public sector as compared to the outlay of Rs. 1,793 crores in the Draft Five-Year Plan‡. The domestic resources available to the public sector are estimated in the Colombo Plan Report at Rs. 1,551 crores over the six-year period, leaving a gap of Rs. 783 crores to be covered by foreign assistance. A substantial amount of foreign assistance is thus envisaged for putting through the development plans of the public sector.

* It should be pointed out that the figures for State Governments are based (for want of current information at the time of writing) on the interim budgets presented in the early months of 1952 ; it is possible that they may be modified in the final budgets presented to the new legislatures in States.

† This is exclusive of Rs. 150 crores on account of current depreciation expenditure of the railways.

‡ For an explanation of the increase in outlay under the revised Colombo Plan see *The Colombo Plan for Cooperative Economic Development in South and South-East Asia, First Annual Report of the Consultative Committee*, Karachi, March 1952 (pages 23-24).

India has already received from the U. S. A., Australia, Canada and New Zealand grants and loans amounting to about Rs. 128 crores (\$268 million). In addition, there is a balance of about Rs. 9 crores (\$18.5 million) that could be drawn upon from the IBRD loans. The following Table gives details of assistance received from external sources in the past two years :—

EXTERNAL ASSISTANCE ALREADY RECEIVED

(Millions of U.S. Dollars)

		Date of Agreement	Amount of Loan or Aid
I. Loans and Aid from U. S. Government			
(i) Technical Aid under Point Four Programme ...		1950	1·20
(ii) Wheat Loan *	June 1951	190·00	
(iii) Aid under Mutual Security Agreement † ...	January 1952	50·00	
II. Aid Under Colombo Plan Agreement			
(i) From Canada **	1951	14·15	
(ii) From Australia ¶	1951	9·36	
(iii) From New Zealand ‡	1951	0·69	
III. Other Aid			
From the Ford Foundation ††	January 1952	3·00	
		<hr/>	<hr/>
IV. Proceeds of Loans From IBRD	1950	18·50	
		<hr/>	<hr/>

* Repayment of capital on a semi-annual basis will commence on June 30, 1957.

† To be used, in the main, for community development projects. An additional amount of about \$ 4 million will be spent by the U.S. Government on administrative and technical personnel.

** \$9·4 million for purchase of wheat, and the remainder is mainly for purchase of equipment for the Mayurakshi dam project and Bombay Transport Scheme.

¶ \$8·93 million for purchase of wheat and the rest for equipment.

‡ For the establishment of an all-India Medical Institute.

†† For financing 5 training centres and 15 intensive village development projects.

Should the gap in resources in the public sector be covered by external finance, it would be possible for India to carry out her development programme without an undue strain on the economy. For, with foreign assistance of the order of Rs. 783 crores and taking into account the releases from sterling balances as agreed upon, it would be possible to augment the supply of resources for development by having, over the six-year period covered by the Colombo Plan, an import surplus of the order of Rs. 1,173 crores.

In addition to the average annual outlay of about Rs. 360 crores (or, including the current annual depreciation expenditure of Rs. 30 crores of the railways, Rs. 390 crores) envisaged in the public sector, it is estimated that private investment, excluding direct investment of real resources in the rural sector, would amount to an annual average of Rs. 255 crores. In the absence of firm data about

savings in the economy, it is difficult to say whether, even with the large balance of payments deficits envisaged under the Plan, these investment targets can be attained without much strain. But the fact remains that without investment of this magnitude in the public and private sectors, there would seem to be little prospect of a continued increase in the levels of output and consumption in the country.

STATE GOVERNMENTS :

Finances of Part A States

60. *General.*—The following Table shows the consolidated position of Part 'A' States as regards their revenue and expenditure (on revenue account) for the years 1950-51, 1951-52 and 1952-53 (*vide* also Statement 60 and Graph 24).

	(Crores of Rupees)			
	1950-51 (Accounts)	1951-52 (Budget)	1951-52 (Revised)	1952-53 (Budget)
Revenue	294.32	308.81	316.89	314.82
Expenditure	293.14	311.61	316.39	323.32
Surplus (+) or Deficit (-)	+ 1.18	- 2.80	+ 0.50	- 8.50

61. *1950-51, Accounts.*—With total revenue at Rs. 294.32 crores and expenditure at Rs. 293.14 crores, the accounts for 1950-51 showed a revenue surplus of Rs. 1.18 crores as against an anticipated deficit of Rs. 5.38 crores in the revised estimates for that year. The surplus was due to a large reduction in expenditure, amounting to Rs. 8.82 crores, as compared to revised estimates, partially offset by a reduction of Rs. 2.26 crores in revenue.

62. *1951-52, Revised Estimates.*—The revised estimates for 1951-52 place revenue and expenditure at Rs. 316.89 crores and Rs. 316.39 crores, respectively, or Rs. 8.08 crores and Rs. 4.78 crores higher than the budget estimates. Consequently, there would be a nominal surplus of Rs. 50 lakhs as against a deficit of Rs. 2.80 crores envisaged in the budget estimates. The budgetary position improved in seven States while it deteriorated in two, namely, Bombay and Bihar, the former showing a deficit instead of a surplus and the latter a much smaller surplus. In the former group, Madhya Pradesh shows a larger surplus at Rs. 3.08 crores than was budgeted for at Rs. 0.14 crore and in West Bengal the deficit has been reduced to Rs. 2.40 crores as against the budget estimate of Rs. 4.76 crores. The original deficit is expected to be covered in Uttar Pradesh and to be converted into a surplus in the Punjab, while there have been smaller deficits in Madras, Orissa and Assam than anticipated. According to the revised estimates only three States, namely, Bihar, Madhya Pradesh and the Punjab show surpluses. In all Part 'A' States, both revenue and expenditure have shown increases, except in Uttar Pradesh where both are lower, Bihar where revenue shows a small decline, and Madhya Pradesh and Orissa where expenditure shows small declines.

Total tax revenue, at Rs. 233.95 crores shows a rise of Rs. 11.92 crores over the budget estimates for the year. Except land revenue, which is expected to show a decline of Rs. 5.95 crores, due mainly to a fall of Rs. 6.72 crores in U.P. on account of the non-implementation last year of the Zamindari Abolition Act, all other important heads of revenue show increases. The largest increase is under income-tax (Rs. 7.22 crores), as a result of larger receipts from the Centre, partially offset by a small decline of Rs. 16 lakhs under agricultural income-tax. Agricultural income-tax, which is a State tax, is levied in five* Part 'A' States. Sales tax revenue shows a rise of Rs. 3.39 crores, stamps Rs. 1.62 crores and excise Rs. 1.33 crores.

On the expenditure side, except under irrigation, where there has been a small decline of Rs. 0.50 crore, all the other important heads show increases, the largest being in social services (Rs. 2.99 crores). Other heads which show increases are direct demands on revenue (Rs. 2.02 crores), debt services (Rs. 1.34 crores) and security services (Rs. 0.92 crore).

63. 1952-53, Budget Estimates.—The State Governments having decided to leave the initiative of making changes in policies to the new Governments to be formed after the elections, interim budgets for 1952-53 based on existing taxation were presented to the outgoing State legislatures. In all States 'Votes on Account' were obtained to service expenditure for the first few months of the new financial year.

Revenue and expenditure for 1952-53 are estimated at Rs. 314.82 crores and Rs. 323.32 crores, respectively, leaving a deficit of Rs. 8.50 crores as against a surplus of Rs. 0.50 crore in 1951-52 (revised). Seven States have budgeted for deficits, chief among them being West Bengal (Rs. 5.20 crores), Assam (Rs. 2.55 crores), Bombay (Rs. 1.64 crores) and Madras (Rs. 0.86 crore). Two States namely, Bihar and Madhya Pradesh, are expected to have surpluses of Rs. 1.63 crores and Rs. 0.91 crore, respectively.

In five of the States (West Bengal, Madhya Pradesh, Bihar, the Punjab and Assam) the revenue is estimated lower than in 1951-52 (revised), the sharpest decline, namely, Rs. 4.22 crores being in Bihar; the remaining States show increases, U.P. accounting for the largest amount, namely, Rs. 5.49 crores. As regards expenditure, only two States, namely, Bihar and the Punjab, show declines of Rs. 4.42 crores and Rs. 0.05 crore, respectively. The expenditure of Madhya Pradesh remains the same, while the rest of the States show increases, the largest being in U.P., namely, Rs. 5.96 crores.

Total revenue for all Part 'A' States at Rs. 314.82 crores is lower than the revised estimates for 1951-52 by Rs. 2.07 crores. Tax revenue, however, is higher by Rs. 1.80 crores (*vide* Table on page 89). This is accounted for by the increase in land revenue, partially offset by declines in income-tax, sales tax and excise. Land revenue shows an increase of Rs. 7.83 crores (of which as much as Rs. 7.42 crores is accounted for by U.P. as a result of the proposed implementation of the Zamindari Abolition Act†), while receipts under income-tax, sales tax and excise show a decrease of Rs. 1.97 crores, Rs. 2.07 crores and Rs. 0.21 crore, respectively. It may, however, be noted that since 1951-52, the largest source of tax revenue for Part 'A' States has been income-tax. In 1952-53, the percentage of this to total tax revenue is 22.51, the corresponding percentages for sales tax, land revenue, excise and stamps being 19.37, 17.71, 11.06 and 8.56. In 1950-51, sales tax

* Namely, Uttar Pradesh, Bihar, Assam, Orissa and West Bengal.

† The Act has since been brought into force on July 1, 1952.

**DISTRIBUTION OF TAX REVENUE AND REVENUE EXPENDITURE OF
PART 'A' STATES**

(Rupees in Lakhs)

	1950-51 (Accounts)	1951-52 (Revised)	1952-53 (Budget)
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Major Heads of Tax Revenue—

Taxes on Income	50,87 (22·47)	55,03 (23·52)	53,06 (22·51)
Land Revenue	33,21 (14·64)	33,91 (14·49)	41,74 (17·71)
Sales Tax	... ... ... ... ...	51,34 (22·63)	47,74 (20·41)	45,67 (19·37)
Excise	... ... ... ... ...	27,04 (11·92)	26,28 (11·23)	26,07 (11·06)
Stamps	... ... ... ... ...	19,22 (8·47)	20,19 (8·63)	20,19 (8·56)
Total Tax Revenue	.. ..	2,26,84	2,33,95	2,35,75

Major Heads of Expenditure—

Direct Demands on Revenue	... ... ... ... ...	24,30 (8·29)	26,96 (8·52)	26,81 (8·29)
Irrigation	... ... ... ... ...	12,54 (4·28)	14,12 (4·46)	13,66 (4·22)
Debt Services	... ... ... ... ...	2,31 (0·79)	4,14 (1·31)	3,74 (1·16)
Security Services	... ... ... ... ...	89,97 (30·69)	91,32 (28·86)	92,32 (28·56)
Social Services	... ... ... ... ...	90,56 (30·89)	99,08 (31·32)	1,00,94 (31·22)
Total Expenditure	... ... ... ... ...	2,93,14	3,16,39	3,23,82

Note.—Figures in brackets are percentages of the respective totals.

revenue at Rs. 51·94 crores had accounted for 22·63 per cent of total tax revenue. The relegation of sales tax to second position in the States' tax revenue is due partly to the coming into effect from April 1, 1951 of Clauses (1) and (2)* of Article 286 of the Constitution. As before, per capita revenue as well as *per capita* tax revenue are highest in Bombay at Rs. 16·43 and Rs. 12·99, respectively, followed by West Bengal (*vide* Table on page 91). The estimated aggregate expenditure of Part 'A' States at Rs. 323·32 crores is Rs. 6·93 crores† higher than in 1951-52 (revised). There is increased provision of Rs. 1·01 crores under security services and of Rs. 1·86 crores under social services, while the remaining major items show slight decreases (*vide* Table on page 89). The percentage outlay on social services is the highest at 31·22 as compared with 28·56 on security services. The average *per capita* expenditure on social services for Part 'A' States works out to Rs. 3·62, Bombay with Rs. 5·92 and Bihar with Rs. 2·20 showing the highest and lowest amounts. Of the total outlay of Rs. 100·94 crores on social services, as much as Rs. 48·33 crores are for education, which is allotted Rs. 2·62 crores more than in 1951-52 (revised). It accounts for more or less the same percentage as in 1951-52, namely, 48, the highest individual percentage being that of Bombay at 60. Other important items of social services like medical and public health, and agriculture, account for Rs. 22·88 crores and Rs. 16·03 crores, respectively. The average *per capita* expenditure for all Part 'A' States works out to Rs. 11·59. Bombay has the highest *per capita* expenditure at Rs. 17·58 and Bihar the lowest at Rs. 7·41 (*vide* Table on page 91).

64. Transfers from Revenue Reserve Funds to Revenue Accounts and vice versa.—Some States have followed the practice of transferring funds from Revenue Reserve Funds to Revenue Accounts and *vice versa*. The consolidated position of Part 'A' States on revenue account, after these transfers are excluded, is shown below:—

Transfers from Re- venue Re- serve Fund to Revenue Account	Transfers from Re- venue Account to Revenue Reserve Fund	Aggregate Revenue excluding (1)	Aggregate expendi- ture excluding (2)	(Crores of Rupees)	
				Deficit (—) or surplus (+) after (1) & (2)	Deficit (—) or surplus (+) after (1) & (2)
		1	2	3	4
1950-51 (Accounts)...	4·44	—	289·88	203·14	— 3·26 + 1·18
1951-52 (Revised) ...	9·22	0·05	307·67	316·34	— 8·67 + 0·50
1952-53 (Budget) ...	6·08	0·05	308·74	323·27	— 14·53 — 8·50

It will be observed that if these transfers were not made, there would have been a deficit of Rs. 3·26 crores in 1950-51 and of Rs. 8·67 crores in 1951-52 (revised); similarly in 1952-53 (budget), there would be a deficit of Rs. 14·53 crores instead of Rs. 8·50 crores.

* These clauses prohibit imposition of a tax on the sale or purchase of goods where such sale or purchase takes place (1) outside the State or (2) in the course of foreign trade or (3) inter-State trade or commerce.

† This includes a rise of Rs. 5·96 crores in U.P., of which Rs. 5·12 crores are attributable to miscellaneous mainly on account of transfer to the Zamindari Abolition Fund (Rs. 3·50 crores) and reimbursement of local rates collected along with land revenue to District Boards (Rs. 1·36 crores).

PER CAPITA REVENUE AND EXPENDITURE, 1952-53

(In Rupees)

Expenditure

STATES		REVENUE	TAX*	Revenue	Expen-	Expenditure	
						Security Services	Social Services
Assam	11.01	7.14	13.80	2.36
Bihar	7.07	5.50	7.41	1.95
Bombay	16.43	12.99	17.58	5.45
Madhya Pradesh	9.45	8.04	9.27	2.34
Madras	11.22	8.53	11.37	3.22
Orissa	8.04	5.11	8.24	2.33
Punjab	13.39	8.48	13.41	4.15
Uttar Pradesh	9.89	7.37	9.96	3.07
West Bengal	14.49	12.07	16.59	4.56
ALL STATES	11.07	8.45	11.59	3.31
							3.62

65. *Capital Account.*—The provision made for capital outlay (including schemes of State trading) outside the Revenue Account for 1952-53 is Rs. 129.80 crores or Rs. 24.58 crores and Rs. 68.31 crores more than in 1951-52 (revised) and 1950-51 (accounts), respectively. Excluding schemes of State trading the provision would be Rs. 122.53 crores, representing increases of Rs. 28.28 crores and Rs. 46.27 crores over 1951-52 (revised) and 1950-51 (accounts), respectively (*vide* Table below). The major items include multi-purpose river valley projects, irrigation, electricity, housing and other civil works, industrial development and compensation to landlords. Except in Bombay, the total provision made in this behalf by the States exceeds the provision made in 1951-52 (revised).

CAPITAL EXPENDITURE OF PART 'A' STATES *

(Lakhs of Rupees)

STATES		1950-51 (Accounts)	1951-52 (Revised)	1952-53 (Budget)
Assam	...	...	...	...
	...	-1.14	-4	-1
		(-1.32)	(-20)	(-22)
Bihar	...	...	...	7.81
	...	4.62	7.19	(+13)
		(+2.21)	(+18)	
Bombay	...	...	...	14.90
	...	4.58	15.18	(+4.20)
		(-5.29)	(+8.51)	
Madhya Pradesh	...	...	...	1.96
	...	5.88	1.66	(-67)
		(+2.48)	(-1.58)	
Madras	...	...	...	20.15
	...	15.56	17.31	(+29)
		(-1.38)	(-2.24)	
Orissa	...	...	...	14.87
	...	5.56	10.76	(+6)
		(+31)	(+11)	
Punjab	...	...	...	30.32
	...	10.07	20.56	(+35)
		(-5.49)	(+29)	
Uttar Pradesh	...	...	...	17.06
	...	0.45	15.30	(+4.62)
		(-3.59)	(+4.27)	
West Bengal	...	...	...	22.74
	...	6.91	17.21	(-1.49)
		(-2.70)	(+3.63)	
Total	...	61.49	105.22	129.80
		(-14.77)	(+10.97)	(+7.27)

*Includes schemes of State trading, but not appropriations to Contingency Fund. Figures in brackets are net receipts (-) or expenditure (+) in respect of schemes of State trading.

MAIN HEADS OF CAPITAL EXPENDITURE OF PART 'A' STATES FOR 1952-53

			(Rs. Lakhs)	<i>Percentage to Total</i>
1.	Multi-purpose river valley schemes	...	52.58	40.51
2.	Construction of irrigation, navigation, embankment and drainage works	...	21.80	16.79
3.	Electricity schemes	...	14.55	11.21
4.	Civil works	...	11.29	8.70
5.	Other State works	...	5.72	4.41
6.	Expenditure on displaced persons	...	4.56	3.51
7.	Payment of compensation to landholders on the abolition of Malguzari	...	2.58	1.99
8.	Industrial development	...	2.16	1.66
9.	Schemes of agricultural improvement and research		1.50	1.16
10.	Miscellaneous	...	13.06	10.06
		Total	129.80	100.00

66. *Postwar Reconstruction Funds*.—The Table below shows the outstanding balances in the Postwar Reconstruction Funds (or Revenue Reserve Funds) of six States, namely, Madras, Bombay, Bihar, Madhya Pradesh, Uttar Pradesh and Assam, the remaining three States having no such Funds. During 1951-52 the combined balances of the six States in the Funds showed a decline by Rs. 17.42 crores to Rs. 59.03 crores; during 1952-53 they are expected to fall further by Rs. 18.41 crores to Rs. 40.62 crores. All the States have shared in the decline, the largest decline during both 1951-52 and 1952-53 being in the case of Madras. In 1952-53, no decline in the balances is expected in the case of Uttar Pradesh.

REVENUE RESERVE FUND BALANCES

(Lakhs of Rupees)

		End of		
		1950-51 (Accounts)	1951-52 (Revised)	1952-53 (Budget)
Assam*	...	1.01	99	97
Bihar	...	14.50	8.50	5.50
Bombay	...	13.29	11.29	8.79
Madhya Pradesh	...	11.34	11.69	8.53
Madras	...	23.32	13.98	4.25
Uttar Pradesh	...	12.99	12.58	12.58
	Total	78.45	59.03	40.62

* Provisional.

67. Ways and Means Position.—The borrowings of Part 'A' State Governments have been showing a progressive rise in recent years. Aggregate net borrowings in the form of permanent debt, floating debt, loans from the Central Government and unfunded debt are estimated higher at Rs. 92.28 crores in 1952-53 as compared with Rs. 87.13 crores in 1951-52 (revised) and Rs. 56.07 crores in 1950-51. Loans from the Central Government constitute by far the major source of States' borrowings and are estimated at Rs. 90.37 crores for 1952-53 as against Rs. 63.10 crores in 1951-52 (revised) and Rs. 44.40 crores in 1950-51. Only two States, viz., Uttar Pradesh and West Bengal, have taken credit for receipts under new loans to be floated during 1952-53 for an aggregate sum of Rs. 6.03 crores. Making allowance for discharge of permanent debt amounting to Rs. 5.29 crores, net borrowings from the market by Part 'A' States during 1952-53 will be Rs. 0.74 crore as against Rs. 11.00 crores in 1951-52 (revised) and Rs. 8.06 crores in 1950-51. Receipts from unfunded debt are estimated at Rs. 2.80 crores which is about the same as in 1951-52 (revised) and 1950-51. Under floating debt, it is estimated that there would be a net outgo of Rs. 1.63 crores as against net receipts of Rs. 10.08 crores in 1951-52 (revised) and Rs. 0.83 crore in 1950-51.

During 1952-53, Part 'A' States together would have an overall deficit of Rs. 54.52 crores which is reflected in the running down of (1) cash balances by Rs. 4.94 crores, (2) cash balance investment accounts by Rs. 31.17 crores, and (3) revenue reserve funds by Rs. 18.41 crores. Of this deficit, Rs. 14.53 crores is on revenue account and the balance on capital account. In 1951-52 (revised), there was an overall deficit of Rs. 42.37 crores, as reflected in the reduction of Rs. 15.96 crores in cash balances, of Rs. 8.99 crores in cash balance investment accounts and of Rs. 17.42 crores in revenue reserve funds. The deficit was Rs. 8.67 crores on revenue account and Rs. 33.70 crores on capital account. The overall deficit in 1950-51 amounted to only Rs. 5.21 crores as reflected in a decline of Rs. 14.34 crores in revenue reserve funds, offset by increases of Rs. 4.26 crores in cash balances and Rs. 4.87 crores in cash balance investment accounts. The deficit on revenue account was Rs. 2.26 crores and the balance was on capital account.

Finances of Part B States

68. Revenue Account, General.—The Table below shows the consolidated budgetary position, on revenue account, of Part 'B' States for 1950-51, 1951-52 and 1952-53. Statement 61 gives details of revenue and expenditure.

		(Crores of Rupees)			
		1950-51 (Accounts)	1951-52 (Budget)	1951-52 (Revised)	1952-53 (Budget)
Revenue	92.83	96.66	105.44
Expenditure	91.30	97.39	103.20
Surplus (+) or Deficit (-)	-1.53	-0.73	2.24
					-2.75

69. 1950-51, Accounts.—The accounts for 1950-51 of Part 'B' States as a whole showed a surplus, on revenue account, of Rs. 1.53 crores as against a deficit of Rs. 0.76 crore in the revised estimates for that year. As compared with the revised estimates, revenue at Rs. 92.83 crores showed a rise of Rs. 0.36 crore, while expenditure at Rs. 91.30 crores was lower by Rs. 1.93 crores.

70. *1951-52, Revised Estimates.*—In 1951-52, the increase in revenue was larger than in expenditure. As compared with the budget estimates, the revised estimates showed a rise of Rs. 8.78 crores in the aggregate revenue at Rs. 105.44 crores as against a rise of Rs. 5.81 crores only in the aggregate expenditure at Rs. 103.20 crores. In the result the original budget deficit of Rs. 0.73 crore was converted into a surplus of Rs. 2.24 crores. This was due mainly to an improvement in the position of Hyderabad, Mysore, Travancore-Cochin, PERSU and Rajasthan, partially offset by a deterioration in Madhya Bharat and Saurashtra. Four States, namely, Travancore-Cochin, PERSU, Mysore and Hyderabad showed revenue surpluses, while the remaining three showed deficits.

The rise in revenue was accounted for by Mysore, Travancore-Cochin, Hyderabad and PERSU, the aggregate increase in their receipts amounting to Rs. 9.96 crores, of which about half was accounted for by Mysore alone. These States also accounted for an aggregate rise of Rs. 6.59 crores in expenditure, of which more than two-thirds was accounted for by Mysore. Rajasthan, Madhya Bharat and Saurashtra showed small declines in both revenue and expenditure.

In 1951-52, the aggregate tax revenue was Rs. 65.33 crores or 62 per cent of total revenue. This was larger than the year's budget estimates and 1950-51 actuals by Rs. 1.11 crores and Rs. 3.13 crores, respectively. (*vide* Table on page 95). As compared with the budget estimates, receipts from excise, stamps, sales tax and customs showed increases of Rs. 1.04 crores, Rs. 0.26 crore, Rs. 0.56 crore and Rs. 0.98 crore, respectively, partially offset by declines under other important heads like income-tax and land revenue.

On the expenditure side, the rise has occurred mainly under social services (Rs. 2.69 crores), security services (Rs. 1.24 crores) and irrigation (Rs. 0.53 crore), partially offset by declines of Rs. 0.19 crore in debt services and Rs. 0.04 crore in direct demands on revenue.

71. *1952-53, Budget Estimates.*—The budgets for 1952-53 of Part 'B' States, like those of Part 'A' States, are interim budgets, based on existing taxation. As compared with the revised estimates for 1951-52, the combined estimates for 1952-53 show a decline of Rs. 0.82 crore in revenue at Rs. 104.62 crores, but a rise of Rs. 4.17 crores in expenditure at Rs. 107.37 crores; this would result in a deficit of Rs. 2.75 crores, as against a surplus of Rs. 2.24 crores in 1951-52 (revised). Rajasthan shows the largest deficit at Rs. 0.94 crore, followed by Mysore with Rs. 0.84 crore, PERSU with Rs. 0.63 crore and Hyderabad with Rs. 0.45 crore. The remaining three States, namely, Madhya Bharat, Travancore-Cochin and Saurashtra anticipate nominal surpluses, aggregating Rs. 0.11 crore.

The net fall of Rs. 0.82 crore in the estimated aggregate revenue is accounted for by declines totalling Rs. 3.46 crores in Hyderabad (Rs. 2.53 crores), Travancore-Cochin (Rs. 0.74 crore) and PERSU (Rs. 0.19 crore), offset by increases in the rest of the States estimated at Rs. 2.64 crores, of which Rs. 1.09 crores is accounted for by Saurashtra and Rs. 0.89 crore by Mysore. The rise of Rs. 4.17 crores in expenditure is accounted for by increases in expenditure in all the States except Hyderabad which has estimated its expenditure lower by Rs. 2.06 crores than in 1951-52 (revised).

The decline of Rs. 0.82 crore in total revenue is due to an anticipated fall of Rs. 1.46 crores in non-tax revenue, offset by an expected rise of Rs. 0.64 crore under tax revenue, which is estimated at Rs. 65.97 crores or 63 per cent of

total revenue, as compared with Rs. 65.33 crores in 1951-52 (revised). Increases are anticipated under all major heads of tax revenue except customs and excise which show declines of Rs. 1.48 crores and Rs. 0.21 crore, respectively.

DISTRIBUTION OF TAX REVENUE AND REVENUE EXPENDITURE OF PART 'B' STATES

		(Rupees in Lakhs)		
		1950-51 (Accounts)	1951-52 (Revised)	1952-53 (Budget)
Major Heads of Tax Revenue				
Customs	...	4.96 (7.97)	4.91 (7.52)	3.43 (5.20)
Taxes on Income	...	80 (1.29)	1.17 (1.79)	1.27 (1.93)
Land Revenue	...	16.36 (26.30)	15.67 (23.99)	17.52 (26.56)
Sales Tax	...	5.08 (8.17)	5.65 (8.65)	5.91 (8.96)
Excise	...	20.29 (32.62)	21.21 (32.47)	21.00 (31.83)
Stamps	...	2.97 (4.77)	3.10 (4.75)	3.17 (4.87)
Total Tax Revenue	...	62.20	65.33	65.97
Major Heads of Expenditure				
Direct Demands on Revenue	...	8.24 (9.03)	9.60 (9.30)	10.95 (10.20)
Irrigation	...	2.80 (3.07)	4.44 (4.30)	3.87 (3.60)
Debt Services	...	4.78 (5.24)	4.30 (4.17)	4.30 (4.00)
Security Services	...	23.91 (26.19)	26.03 (25.22)	24.02 (22.37)
Social Services	...	27.39 (30.00)	33.24 (32.21)	37.07 (34.53)
Total Expenditure	...	91.30	103.20	107.37

Note.— Figures in brackets are percentages of the respective totals.

Unlike Part 'A' States, wherein income-tax receipts constitute the largest source of tax revenue, in Part 'B' States excise tops other sources followed by land revenue. Income-tax* and sales tax which were introduced in some of the States only recently would take some time to develop; however, in due course, these taxes would assume in Part 'B' States the same importance as in Part 'A' States, especially with the total abolition of internal customs, over a period of five years beginning 1950-51. 'Revenue gap' payments by the Centre to Hyderabad,

* Income-tax rates are scheduled to be gradually raised to the Indian level, wherever these are lower, in a period of two to six years.

Mysore, Travancore-Cochin and Saurashtra are placed at Rs. 10.41 crores as against Rs. 11.24 crores in 1951-52 (revised) and receipts from the divisible pool of income-tax by PEPSU, Madhya Bharat and Rajasthan at Rs. 0.31 crore as against Rs. 0.34 crore in 1951-52 (revised) (*vide* Table on page 76).

On the expenditure side, there is an increase of Rs. 3.83 crores under social services, and of Rs. 1.35 crores under direct demands on revenue. As against this, security services and irrigation show declines of Rs. 2.01 crores and Rs. 0.57 crore, respectively.

Of the total estimated expenditure of Part 'B' States in 1952-53, the share of social services is larger than that of security services, (as in the case of Part 'A' States) being respectively Rs. 37.07 crores and Rs. 24.02 crores or 34.5 per cent and 22.4 per cent of the total. The corresponding amounts in 1951-52 were Rs. 33.24 crores and Rs. 26.03 crores or 32.2 per cent and 25.2 per cent of total expenditure. In Mysore and Travancore-Cochin, the provision for social services is substantially larger than for security services, while in Saurashtra and Rajasthan the provision for security services is higher. In the rest of the States, it is about the same on both.

The average *per capita* revenue and expenditure for all Part 'B' States taken together are Rs. 15.2 and Rs. 15.6, respectively, compared with Rs. 11.07 and Rs. 11.59 for Part 'A' States. The average *per capita* expenditure on social services at Rs. 5.4 is also higher than in Part 'A' States by 67 per cent. Mysore spends the largest *per capita* amount of Rs. 12.7 on social services followed by Saurashtra with Rs. 6.1. The average *per capita* expenditure of Rs. 3.5 on security services in Part 'B' States is about the same as in Part 'A' States, Saurashtra spending the largest *per capita* amount of Rs. 6.8 (*vide* Table below).

PER CAPITA REVENUE AND EXPENDITURE, 1952-53

(In Rupees)

STATES	Revenue	Tax Revenue	Expenditure	Expenditure on	
				Security Services	Social Services
Hyderabad ...	14.0	11.1	14.3	3.6	3.8
Madhya Bharat ...	13.6	10.8	13.6	3.8	4.7
Mysore ...	20.9	7.4	22.3	2.5	12.7
PEPSU ...	17.0	10.7	18.8	5.1	5.3
Rajasthan ...	10.5	7.7	11.1	3.4	3.1
Saurashtra ...	20.7	9.0	20.7	6.8	6.1
Travancore-Cochin	17.2	10.6	17.1	2.1	5.3
ALL STATES	15.2	9.6	15.6	3.5	5.4

72. *Capital Expenditure outside the Revenue Account*.—The revised estimate of capital expenditure for 1951-52 (excluding Contingency Funds but including receipts of Rs. 2.01 crores under schemes of State trading) of Part 'B' States is Rs. 22.62 crores, which shows a decline of Rs. 7.35 crores over the budget estimates for that year and of Rs. 0.14 crore over the 1950-51 actuals (*vide* Table on page 97).

Of this, Hyderabad accounts for Rs. 7.5 crores, Travancore-Cochin Rs. 5 crores, Mysore Rs. 4.77 crores and Rajasthan Rs. 2.92 crores; Madhya Bharat spent under Rs. 2 crores and Saurashtra and Pepsu under Rs. 1 crore each. For 1952-53, capital expenditure (including Rs. 3.32 crores for schemes of State trading) is placed at Rs. 26.40 crores, representing an increase of Rs. 3.78 crores over 1951-52 (revised). Of this, Hyderabad accounts for Rs. 7.37 crores Travancore-Cochin for Rs. 5.04 crores and Mysore for Rs. 8.37 crores. All the States have budgeted for higher capital outlay compared with 1951-52 (revised), with the exception of Hyderabad and Rajasthan. The major heads of capital expenditure are irrigation, electricity and industrial development.

CAPITAL EXPENDITURE OF PART 'B' STATES *

(Lakhs of Rupees)

STATES		1950-51 (Accounts)	1951-52 (Budget)	1951-52 (Revised)	1952-53 (Budget)
Hyderabad	...	5,19 (-)	7,67 (-)	7,50 (-)	7,37 (-)
Madhya Bharat	...	6,18 (+5,11)	2,83 (+30)	1,83 (+30)	2,61 (+52)
Mysore	...	3,82 (-4)	7,84 (+20)	4,77 (+50)	8,37 (+4,06)
Pepsu	...	20 (+8)	38 (+15)	25** (+15)	65 (+9)
Rajasthan	...	2,01 (-)	1,83** (-)	2,92** (+1,29)	23 (-1,73)
Saurashtra	...	2,61** (+1,60)	2,78 (-)	35 (-1,25)	2,13 (+38)
Travancore-Cochin	...	2,75 (-)	6,64 (-2,93)	5,00 (-3,00)	5,04 (-)
Total	...	22.76 (+6.75)	29.97 (-2.28)	22.62 (-2.01)	26.40 (+3.32)

* Includes schemes of State trading. Figures in brackets are net receipts (-) or expenditure (+) in respect of schemes of State trading.

** Excludes appropriation to Contingency Fund.

73. *Ways and Means Position.*—For 1952-53, total net receipts from all types of borrowings are placed higher at Rs. 16.21 crores, as compared with Rs. 11.75 crores in 1951-52 (revised) and Rs. 2.86 crores in 1950-51. In 1952-53 the distribution is placed as follows: (1) permanent debt (Rs. 0.93 crore), (2) floating debt (Rs. 1.25 crores), (3) loans from the Central Government (Rs. 11.88 crores) and (4) unfunded debt (Rs. 2.15 crores). As in the case of Part 'A' States, loans from the Central Government constitute the largest source of debt receipts for Part 'B' States also; net receipts from this source amounted to Rs. 7.84 crores in 1950-51 and Rs. 6.66 crores in 1951-52 (revised), and are placed at Rs. 11.88 crores for 1952-53. Receipts from unfunded debt show an improvement from Rs. 0.61 crore in 1950-51 to Rs. 1.50 crores in 1951-52, and are estimated higher at Rs. 2.15 crores in 1952-53. Market borrowings are negligible; in fact there were outgoes, on this

account, of Rs. 0.31 crore and Rs. 0.51 crore in 1950-51 and 1951-52 (revised), respectively. For 1952-53, however, a net credit for Rs. 0.93 crore has been taken.

In the budget for 1952-53, the overall deficit is placed at Rs. 9.95 crores as reflected in a decline of Rs. 7.23 crores in cash balances and of Rs. 2.72 crores in cash balance investment accounts. Of the overall deficit, Rs. 2.75 crores is on revenue account and Rs. 7.20 crores on capital account. In 1951-52 (revised), the overall deficit amounted to Rs. 19.20 crores which was wholly on capital account, there being surplus of Rs. 2.24 crores on revenue account. Cash balances showed a decline of Rs. 14.21 crores and cash balance investment accounts a decline of Rs. 4.99 crores. In 1950-51, the overall deficit was only Rs. 0.52 crore, a decline of Rs. 7.40 crores in cash balance investment accounts, having been mostly offset by an increase of Rs. 6.88 crores in cash balances. The deficit was entirely on capital account, there being a surplus of Rs. 1.53 crores on revenue account.

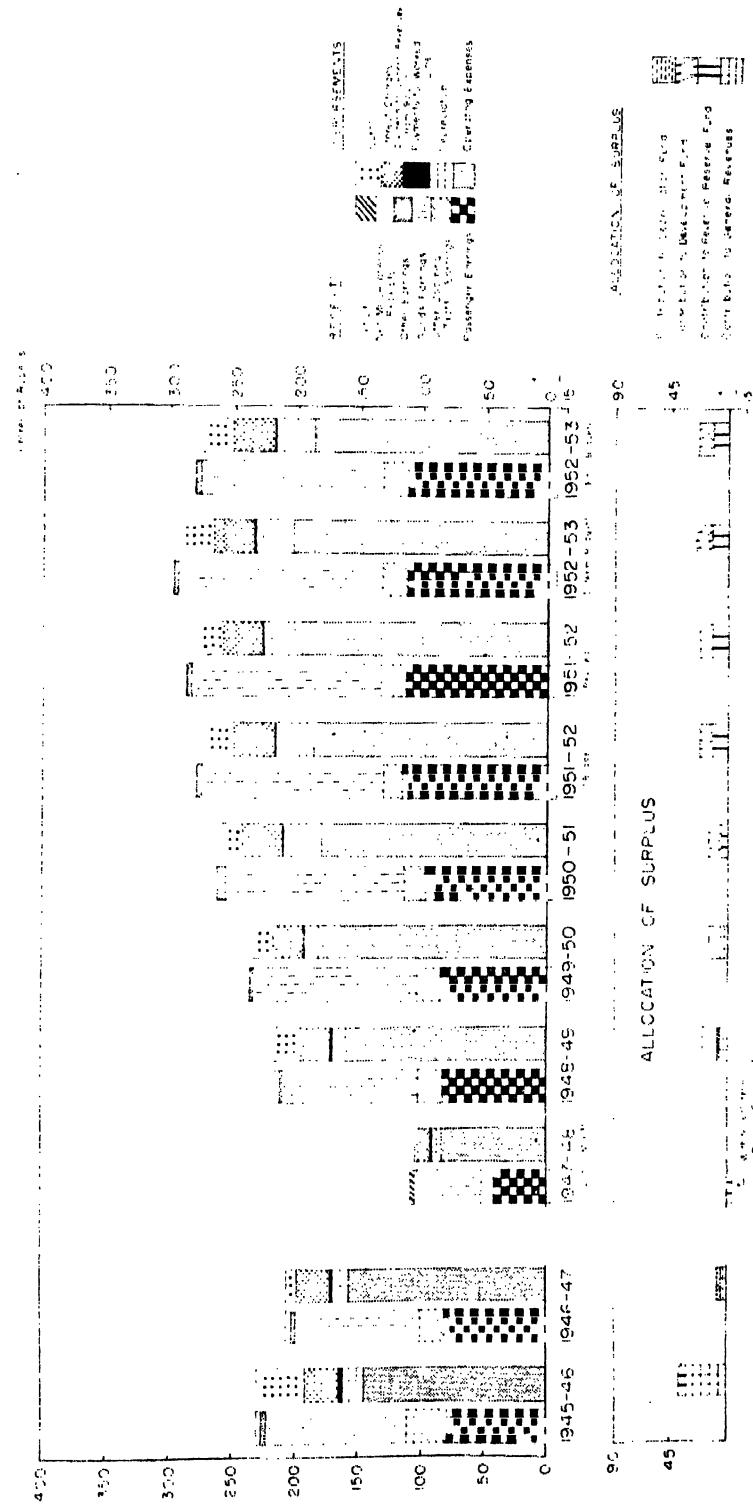
RAILWAY BUDGET:

74. *General.*—A feature of the Railway finances since 1947-48 has been the continuous rise in gross traffic receipts (*vide* Statement 62 and Graph 25). Working expenses have also shown a rise but at a relatively slower pace, with the result that net traffic receipts have shown an increase from year to year, moving up from Rs. 39.78 crores in 1948-49 to Rs. 62.12 crores in 1951-52 (revised). Capital-at-charge has risen from Rs. 667.43 crores in 1947-48 to Rs. 846.80 crores in 1951-52 (revised). The ratio of net traffic receipts to capital-at-charge worked out at 7.3 in 1951-52 as compared with 5.7 in 1948-49. According to the final estimates presented on May 22, 1952, gross traffic receipts for 1952-53 are placed at Rs. 282.16 crores, and net traffic receipts at Rs. 64.23 crores, representing 7.4 per cent of the capital-at-charge which is estimated at Rs. 862.16 crores.

An important development during the post-Partition period was the acceptance in December 1949, by the Indian Legislature of the recommendations made by the Railway Convention Committee in regard to the subsisting relations between the General and Railway finances. The most important provision of the revised financial convention was that, while the existing separation of railways from general finance was to continue, the relationship between them was to be so altered as to give the general tax-payer the status of the sole shareholder in the railway undertaking, entitled to a guaranteed dividend of 4 per cent on the loan capital invested in the undertaking, instead of an indeterminate contribution, as hitherto. The new arrangement has not only assured to the general revenues a definite return on capital-at-charge, thus facilitating forward economic planning in the civil field, but at the same time has assisted the railway undertaking in building up its own reserves and carrying out a comprehensive programme of rehabilitation and expansion. In addition to making adequate provision for the rehabilitation programme the Railway Administration has also undertaken measures to speed up other developmental projects, particularly for the manufacture of locomotives. The Government factory at Chittaranjan commenced production in November 1950, that is, within less than 18 months from the commencement of work on that project. The Tata Locomotive and Engineering Co. Ltd., to the share capital of which the Government of India have subscribed Rs. 2 crores, has also gone into production. With these two works in full production the Indian Railways are expected to attain complete self-sufficiency in its annual requirements of locomotive boilers and spare parts.

GRAPH 25

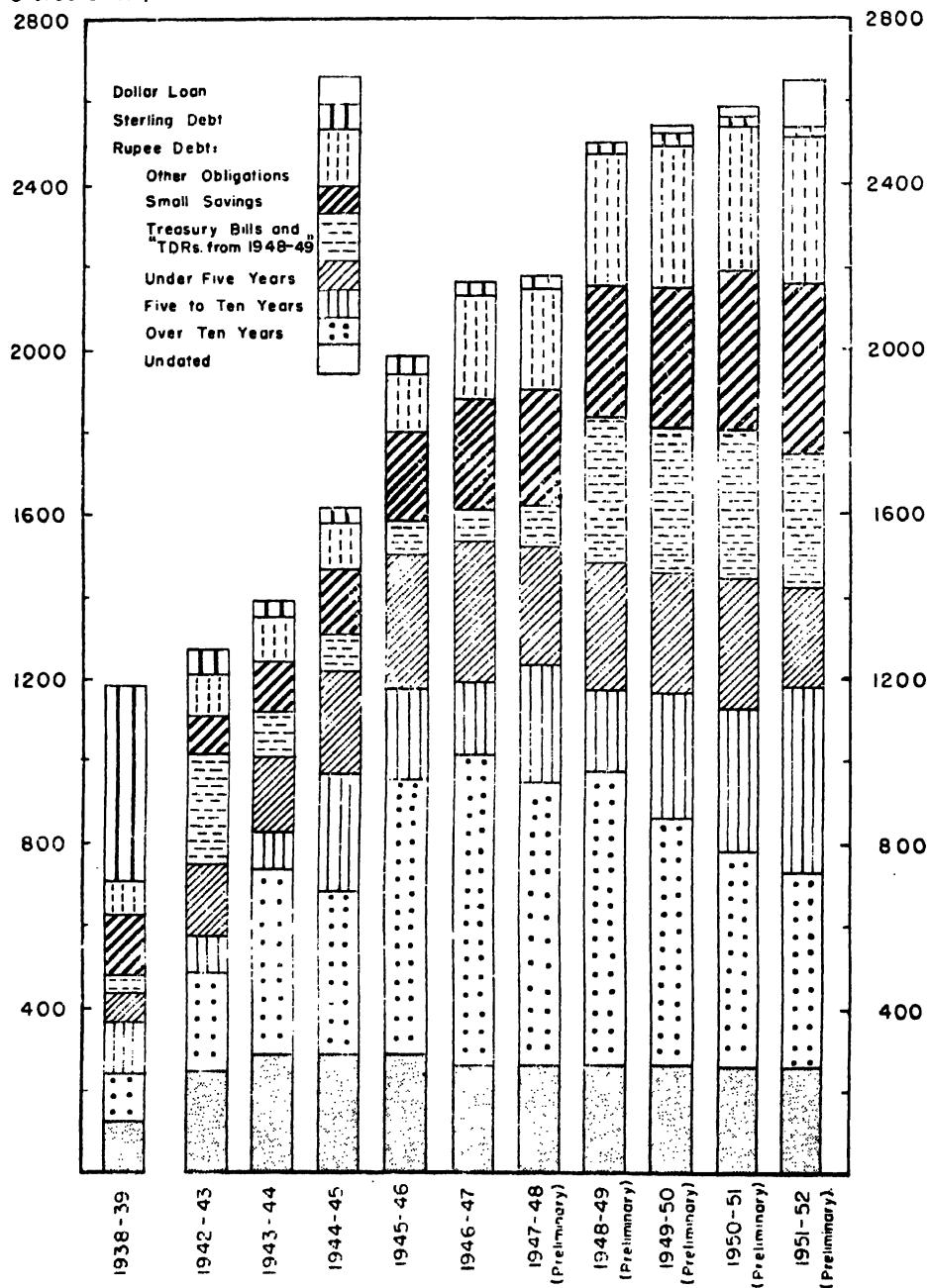
RAILWAY FINANCES 1945-46 TO 1952-53



GRAPH 26

DEBT POSITION OF THE GOVERNMENT OF INDIA

Crores of Rupees



The year under review witnessed the completion of the first stage in the implementation of a programme* for welding the different railway systems of the country into one co-ordinated undertaking, consisting of six major zonal administrations, in accordance with the recommendations made by a Committee of the Railway Board appointed in this behalf in early 1950. This is expected to help achieve uniformity in administration and financial control. Measures have also been proposed to complete the scheme of rationalisation and readjustment of the rates and fare structures commenced in 1948. These proposals include: (1) abolition, with some exceptions in the case of hill and semi-hill sections, of the policy of charging rates on the basis of inflated mileages on certain sections in the plains and (2) also abolition of (a) the existing special rates for iron and steel products and introduction of revised rates which, however, would still be below the standard tariff rates and (b) of the disparities in freights for carrying foodgrains, pulses and oilseeds etc., existing between the Assam, Eastern India, Eastern Punjab and O. T. Railways (where lower wagon load schedules had been introduced) and the other railway systems. The White Paper which was laid on the table in Parliament on February 22, 1952 also contained a proposal to raise coal freight rates by 20 per cent, which is estimated to bring in an additional revenue of Rs. 6 crores, of which Rs. 2.4 crores will be from the railways themselves on account of their own coal consumption.

75. *1950-51, Accounts.*—According to the accounts for 1950-51, gross traffic receipts amounted to Rs. 263.01 crores (*vide Statement 63*) and ordinary working expenses to Rs. 180.23 crores. Making allowance for appropriation to the Depreciation Reserve Fund (Rs. 30 crores), payments to worked lines (Rs. 0.25 crore), net miscellaneous expenditure (Rs. 4.97 crores) and payment of Rs. 32.51 crores as dividend to general revenues, the net surplus was Rs. 15.05 crores as compared with Rs. 14.24 crores in the revised estimates for the year and Rs. 7.59 crores in 1949-50. Of the net surplus, Rs. 10 crores were credited to the Development Fund and the balance of Rs. 5.05 crores to the Revenue Reserve Fund.

76. *1951-52, Revised Estimates.*—The revised estimates for 1951-52 placed gross traffic receipts higher at Rs. 288.06 crores as against Rs. 279.50 crores as originally budgeted, despite a fall in passenger earnings. The net increase in gross receipts was due mainly to substantial increases in earnings under 'other coaching and goods', the traffic in goods having been greatly stimulated by three important developments, namely, the Indo-Pakistan Trade Agreement of February 1951, increased imports of foodgrains and increased industrial production. Ordinary working expenses amounted to Rs. 195.72 crores or Rs. 8.97 crores higher than the budget estimate, owing mainly to (1) the grant of an *ad hoc* increase of Rs. 5 per month in dearness allowance effective from June 1, 1951 to all staff drawing Rs. 300 or less, involving an additional expenditure of Rs. 3.32 crores and (2) the rise in prices of foodstuffs, stores etc. Taking into account, the appropriation to the Depreciation Reserve Fund (Rs. 30 crores), payment to worked lines (Rs. 0.22 crore), net miscellaneous expenditure (Rs. 6.71 crores) and payment of dividend to General Revenues (Rs. 33.35 crores), the net surplus is estimated at Rs. 22.06 crores (or Rs. 21 lakhs more than the budget estimate) of which Rs. 10 crores will go to the Development Fund and the balance to the Revenue Reserve Fund.

77. *1952-53, Budget Estimates.*—An interim budget for the Railways was presented to the outgoing Parliament in February 1952, which disclosed a net surplus of Rs. 24.87 crores for 1952-53, both revenue and expenditure estimates being slightly higher than in the 1951-52 revised estimates. After the new Parliament assembled, the final budget was presented on May 22, but it showed virtually no change from the interim budget, so far as the net surplus was concerned.

* The programme of integration has since been completed on April 14, 1952.

The major factors favourably affecting the budgetary position of Indian Railways during 1952-53 are: (1) the prospects of a further rise in industrial production, (2) the improvement in haulage capacities on certain lines, (3) the increase in coal freights and (4) the freight rate adjustments already made or proposed to be made in 1952-53. They are expected to contribute to a substantial rise in the railway earnings. The rise, however, will be partially offset by the abandonment of the policy of inflated mileages on the railway sections running through the plains and the anticipated fall in passenger earnings.

In the interim budget presented in February 1952, gross traffic receipts were placed at Rs. 298.47 crores, i.e. Rs. 10.41 crores higher than the revised estimate for 1951-52, which is accounted for entirely by an expected rise of Rs. 10.74 crores under "goods earnings", partially offset by anticipated declines in passenger and other coaching traffic. Ordinary working expenses were placed at Rs. 202.70 crores or Rs. 6.98 crores higher than the 1951-52 revised figure, the main contributory items being (1) increase in wage bill owing partly to additional dearness allowance and partly to rise in prices of foodgrains and stores and (2) higher charges for carrying railway coal, following the 30 per cent rise in coal freight. Taking into account the appropriation to the Depreciation Reserve Fund (Rs. 30 crores), payment to worked lines (Rs. 0.24 crore), net miscellaneous expenditure (Rs. 6.66 crores) and dividend to General Revenues (Rs. 34 crores), the net surplus was placed at Rs. 24.87 crores. Of this, Rs. 12 crores were to go to Development Fund and the balance of Rs. 12.87 crores to the Revenue Reserve Fund.

In the final budget for 1952-53 as presented on May 22, 1952, gross traffic receipts and ordinary working expenses are placed at Rs. 282.16 crores and Rs. 187.69 crores, respectively. These represent declines of Rs. 16.31 crores and Rs. 15.01 crores over the interim budget estimates (and of Rs. 5.90 crores and Rs. 8.03 crores over 1951-52 revised figures) and are accounted for by the elimination, with effect from April 1, 1952 of inter-railway and inter-departmental adjustments* consequent on the recent integration of the railways into one single system; on the receipts side, the decline is entirely under 'goods earnings' (Rs. 16.31 crores), while on the expenses side it figures mainly under 'operation fuel' (Rs. 11.74 crores) and partly under other operational expenses including repairs and maintenance (Rs. 3.27 crores). After appropriation of Rs. 30 crores to the Depreciation Reserve Fund and payments to worked lines of Rs. 0.24 crore, net traffic receipts for 1952-53, are placed at Rs. 64.23 crores as against Rs. 65.53 crores in the interim budget. Net railway revenue, after deducting net miscellaneous expenditure, is placed at Rs. 57.47 crores** of which Rs. 34 crores (the same amount as provided in the interim budget) will go to General Revenues as dividend, leaving a net surplus of Rs. 23.47 crores, as compared with the surplus of Rs. 24.87 crores in the interim budget and Rs. 22.06 crores in 1951-52 (revised). Of the surplus, Rs. 12 crores are to go to the Development Fund and the balance of Rs. 11.47 crores to the Revenue Reserve Fund.

* These include (1) adjustments for freight charges incurred for carriage of railway stores, fuel, etc. on account of which figures both of earnings as well as expenditure are unnecessarily inflated ; (2) adjustments between zonal railways for services rendered or work done by one on behalf of another ; and (3) apportionments between zonal railways of the earnings on inter-railway traffic movement commonly known as 'foreign traffic'. Of these, (2) and (3) relate to inter-railway adjustments which are self-balancing and as such will not affect the overall estimates ; but (1), regarding the non-adjustment of freight charges, will affect both receipts and expenditure equally.

** The figure in the interim budget was Rs. 58.87 crores.

78. Capital Expenditure.—The capital expenditure outside the revenue account on railways has been progressively increasing. The revised estimate of capital expenditure on railway works for 1951-52, including the supplementary grant of Rs. 4.50 crores obtained in September 1951, is Rs. 71 crores as compared with Rs. 66.50 crores originally estimated. The interim budget for 1952-53 presented in February 1952 envisaged capital expenditure of Rs. 75 crores. The budget as presented on May 22, 1952 places capital expenditure at Rs. 73.52 crores of which Rs. 47.27 crores will be met by drawing upon the Depreciation Reserve Fund and Rs. 10.71 crores (including Rs. 3 crores for passenger amenities) from the Development Fund. The balance will be charged to capital account. Two small changes made in the new budget as compared with the interim budget are (1) an additional provision of Rs. 1 crore for labour welfare and (2) an equal amount for accelerating the removal of transport bottlenecks on certain sections.

Balances in the Depreciation Reserve Fund, the Development Fund and the Revenue Reserve Fund as at the end of March 1953 are estimated at Rs. 101.01 crores, Rs. 23.77 crores and Rs. 38.76 crores, respectively, the corresponding figures for March 31, 1952 being Rs. 114.74 crores, Rs. 21.79 crores and Rs. 26.30 crores. The aggregate amount of the three Funds is thus expected to show a fractional decline of Rs. 0.71 crore during 1952-53 (*vide* Table below).

POSITION OF THE RAILWAY FUNDS

(Crores of Rupees)

	Depreciation Reserve Fund			Revenue Reserve Fund			Development Fund		
	1950-51	1951-52	1952-53	1950-51	1951-52	1952-53	1950-51	1951-52	1952-53
	Accounts	Revised	Budget	Accounts	Revised	Budget	Accounts	Revised	Budget
Appropriations to the Fund	33.59	33.88	33.54	5.40	12.70	12.46	10.52	10.64	12.69
Withdrawals from the Fund	26.63	42.79	47.27	-0.01	-0.02	-	5.35	8.29	10.71
Net accretions during the year	0.96	-8.91	-13.73	5.41	12.72	12.46	5.17	2.35	1.98
Closing balance	123.65‡	114.74	101.01	13.58‡	26.30	38.76	19.44‡	21.79	23.77

Note:—Figures for 1952-53 are based on the final budget. ‡Figures are provisional and include amounts taken over on account of the Indian State Railways from April 1, 1950.

B. PUBLIC DEBT

79. General.—During the year under review, the Government of India's public debt* rose by Rs. 9 crores to Rs. 2,097 crores and total interest-bearing obligations† by Rs. 58 crores to Rs. 2,620 crores (*vide* Statement 74). Of the latter, Rs. 2,474 crores were obligations in India, Rs. 34 crores in the U. K. and the balance of Rs. 112 crores dollar loans. The increase during the year was accounted for by an increase of Rs. 87 crores in dollar loans, partially offset by declines of Rs. 27 crores and Rs. 3 crores in the obligations in India and the U. K., respectively. Total interest-yielding assets, comprising mainly capital invested in Railways, other Commercial Departments and the States, and the debt due from Pakistan, showed an increase of Rs. 157 crores during 1951-52 to Rs. 1,838 crores.

* Includes special floating loans and unexpired loans.

† Exclude special floating loans and unexpired loans, but include, unlike public debt, unfunded debt and deposits.

During 1951-52, new loan flotations and discharges of permanent debt (internal) together resulted in a net outgo of Rs. 38 crores as compared with a net outgo of Rs. 11 crores in 1950-51. Net borrowings during 1951-52 under all heads, namely, loans including external loans, Treasury bills, Treasury Deposit Receipts and small savings amounted to Rs. 63 crores as against Rs. 57 crores budgeted for the year and Rs. 35 crores during 1950-51. In addition, a sum of Rs. 7 crores was realised from the sale of securities from Government's cash balance investment account as against Rs. 23 crores in 1950-51. According to the estimate for 1952-53, net receipts from all kinds of borrowings are placed at Rs. 72 crores and the cash balance investment account is expected to balance. Total interest-bearing obligations are estimated to rise by Rs. 56 crores to Rs. 2,676 crores as at the end of 1952-53*.

Sales of Treasury bills to the public continued to remain suspended during 1951-52. As at the end of March 1952, the total outstandings of these held by the Reserve Bank of India, Part 'A' States and other approved bodies showed a decline of Rs. 44 crores over the March-end 1951 outstandings. Treasury Deposit Receipts, on the other hand, showed a net rise of Rs. 11 crores during the year as against a net decline of Rs. 7 crores in 1950-51. Net collections in small savings amounted to Rs. 36 crores as compared with the budget estimate of Rs. 43 crores and Rs. 34 crores in 1950-51.

The total gross debt of Part A States (*vide Statement 65 and Graph 28*), as at the close of 1951-52, amounted to Rs. 330 crores of which Rs. 216 crores were accounted for by loans from the Central Government.

(a) GOVERNMENT BALANCES AND SHORT-TERM BORROWINGS

CENTRAL GOVERNMENT :

80. *Balances.*—During the year under review, the cash balances of the Central Government (*vide Statement 66*) showed a net increase of Rs. 4.21 crores to Rs. 155.55 crores. These balances, which had stood at Rs. 151.34 crores at the end of March 1951 showed an initial decline to Rs. 144.25 crores at the end of April, but rose thereafter to touch the year's highest level at Rs. 219.75 crores by the end of August. During the succeeding five months, they fluctuated narrowly between that figure and Rs. 206.04 crores, but from February 1952 onwards declined and they touched Rs. 155.55 crores by the end of March 1952. In this context, it may be mentioned that from October 1943, the Central Government have had no recourse to ways and means advances.

81. *Treasury Bills.*—As already noticed, there have been no sales of Treasury bills to the public since December 20, 1949. Total sales of Treasury bills in favour of the Reserve Bank of India during the year under review amounted to Rs. 1,336 crores, of which Rs. 1,091 crores were on account of renewal of *ad hoc* bills, Rs. 155 crores represented investments by Governments of Part 'A' States and Rs. 89 crores by other approved bodies. The total amount outstanding declined during 1951-52 by Rs. 43.69 crores to Rs. 314.34 crores (*vide Statements 67 to 69*). Of this, Rs. 267.52 crores represented *ad hoc* bills, Rs. 24.67 crores holdings of States and Rs. 22.15 crores holdings of other approved bodies, the corresponding figures for March 31, 1951 being Rs. 274.52 crores, Rs. 51.91 crores and Rs. 31.60 crores.

* As announced in the interim budget of February 29, 1952.

82. *Treasury Deposit Receipts.*—During 1951-52, total issues of TDRs amounted to Rs. 23.96 crores, of which Rs. 13.21 crores were accounted for by twelve-months Receipts ; total discharges amounted to Rs. 12.49 crores, thus raising the outstanding amount from Rs. 6.70 crores to Rs. 18.18 crores (*vide Statement 70*).

STATE GOVERNMENTS :

83. *Balances and Ways and Means Advances.*—The month-end balances of Part 'A' States with the Reserve Bank of India (*vide Statement 66*) averaged Rs. 17.62 crores during 1951-52 as compared with Rs. 21.38 crores in 1950-51. The total balances, including balances at Treasuries, at the end of March 1952 at Rs. 30.60 crores, showed a decline of Rs. 17.12 crores over the corresponding figure for 1950-51 and was made up as under : Punjab Rs. 13.53 crores, West Bengal Rs. 5.33 crores, Madhya Pradesh Rs. 4.03 crores and Other Part 'A' States Rs. 7.71 crores.

During the year under review, five Part 'A' States resorted to ways and means advances amounting to a total of Rs. 15.86 crores, of which Madras accounted for Rs. 7.02 crores*, Bihar Rs. 4.22 crores, Orissa Rs. 4.14 crores, Uttar Pradesh Rs. 0.43 crore and Assam Rs. 0.05 crore. The largest monthly amount of ways and means advances was in April at Rs. 6.77 crores*. Outstanding at the end of the year amounted to Rs. 94 lakhs, of which Madras accounted for Rs. 80 lakhs.

84. *Treasury Bills.*—During 1951-52, no State Government resorted to borrowing through issue of Treasury bills.

(b) LONG-TERM DEBT AND OTHER BORROWINGS

85. *Government of India Loans.*—The Central Government's internal market borrowings during 1951-52 amounted to Rs. 50.36 crores as against Rs. 100 crores anticipated in the budget. The borrowing operations comprised the flotation of a new loan and repayment of another.

In terms of their notification dated August 11, 1951, the Government of India invited subscriptions to a 3 per cent cash-cum-conversion Loan 1958 for a total amount of Rs. 50 crores. Holders of the 3 per cent Loan 1951-54, which fell due for repayment on September 15, 1951 were offered the option of converting at par their holdings into this loan. The new loan was fully subscribed, the total subscriptions amounting to Rs. 50.36 crores (*vide Statement 72*); of this, offers for conversion amounted to Rs. 37.58 crores and the balance of Rs. 12.78 crores was in cash. Repayment in cash of the 3 per cent Loan 1951-54 amounted to Rs. 47.40 crores upto March 31, 1952, the balance outstanding being Rs. 1.75 crores.

86. *Composition of the Debt.*—Statement 73 shows the outstanding debt† of the Government of India at the end of each quinquennium from 1913-14 to 1938-39 and at the end of each financial year thereafter. The total interest-bearing obligations of the Government of India rose by Rs. 58.19 crores to Rs. 2,619.69 crores during 1951-52 (revised) and are expected to rise by Rs. 55.91 crores during 1952-53 (budget) (*vide Statement 74 and Graph 27*). Of the total interest-bearing obligations, that part included under public debt accounted for Rs. 1,879 crores ; it was made up of Rs. 1,737 crores in rupee loans, Rs. 30

* Including Rs. 1.64 crores outstanding at the end of 1950-51.

† Debt figures, as given in this Statement, comprise what is termed public debt in the Budget Memorandum, small savings and other unfunded debt and deposits.

crores in sterling loans* and Rs. 112 crores in dollar loans. The total public debt of the Government of India as on March 31, 1952 (including special floating loans of Rs. 213 crores representing subscriptions to the IMF and IBRD, and Rs. 5 crores of expired loans) was Rs. 2,097 crores† as against Rs. 2,089 crores on March 31, 1951. Of the total rupee debt of Rs. 2,485 crores at the end of March 1952 (*vide* Statement 73 and Graph 26) 9.3 per cent was due to mature within 5 years, 18 per cent between 5 and 10 years, 18.6 per cent after 10 years, 10.3 per cent was undated and 13.3 per cent was floating debt, including *ad hoc*; the rest of the debt, comprising small savings and other obligations, represented 30.5 per cent of the total rupee debt. Balances in Provident Funds, deposits in Post Office Savings Bank and outstandings on account of Post Office Cash and National Savings Certificates, Depreciation and Reserve Funds of Railways and Posts and Telegraphs and certain other deposits, have risen by Rs. 48 crores from Rs. 689 crores at the end of March 1951 to Rs. 737 crores at the end of March 1952. The total interest-yielding assets amounted to Rs. 1,838 crores at the end of 1951-52 or 70.2 per cent of the total interest-bearing obligations. In addition, cash and securities held on Treasury account amounted to Rs. 199 crores.

87. *Repatriation of Sterling Debt.*—During the year under review, sterling securities of the face value of £55,822 were repatriated, at a cost of Rs. 7 lakhs, and rupee counterparts of the face value of Rs. 1.34 lakhs were created in respect of 3½ per cent Loan, 1954-59. The total sterling debt repatriated since 1937-38 amounted to £328.89 million at a cost of £327.49 million or Rs. 437.65 crores, the rupee counterparts created being Rs. 274.07 crores (*vide* Statement 75).

88. *Distribution of Rupee Debt : Government Promissory Notes, Stock Certificates and Subsidiary General Ledger Accounts.*—During 1951-52, conversions of Central and Part 'A' State Governments' Promissory Notes into Stock Certificates amounted to Rs. 12.17 crores and Rs. 0.49 crore, respectively, the corresponding figures for 1950-51 being Rs. 17.73 crores and Rs. 0.59 crore. Reconversions of Stock Certificates into Promissory Notes were Rs. 7.35 crores in respect of the Central Government and Rs. 0.18 crore in respect of the States. The distribution of the rupee debt of the Government of India, according to the form in which it was held, is shown in the Table below :—

PERCENTAGE TO TOTAL RUPEE DEBT

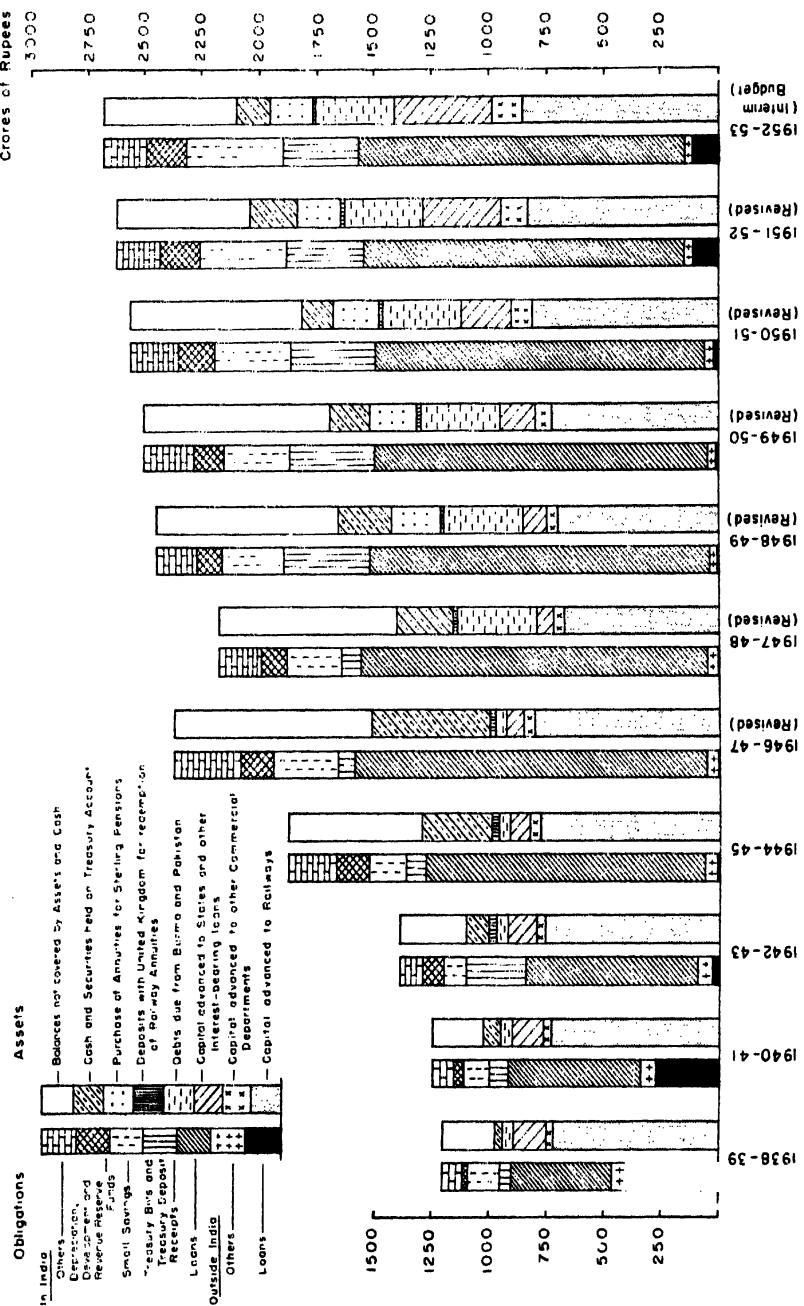
As on March 31	G.P. Notes	Stock Certificates	S.G.L. Accounts	Miscellaneous (i.e., G.P. Notes and Stock Certificates held in London)
1942	53.60	15.40	30.57	0.34
1943	25.60	31.28	42.85	0.27
1944	32.65	28.88	38.27	0.20
1945	37.05	25.95	36.85	0.15
1946	37.70	22.66	39.53	0.11
1947	35.90	22.26	41.80	0.04
1948	33.04	20.94	45.99	0.03
1949	33.75	19.65	46.57	0.03
1950	33.90	18.91	47.16	0.03
1951	32.37	17.73	49.87	0.03
1952	33.19	17.61	49.18	0.02

* Including British War Loan (Rs. 20.62 crores) and Railway Annuities (Rs. 8.53 crores). The liability in respect of the British War Loan remains suspended. As regards Railway Annuities, an equivalent amount has been deposited with the U.K. Government who have undertaken to provide the necessary sterling as payments fall due.

† Excluding British War Loan and Railway Annuities, public debt at the end of March 1952 was Rs. 2,068 crores.

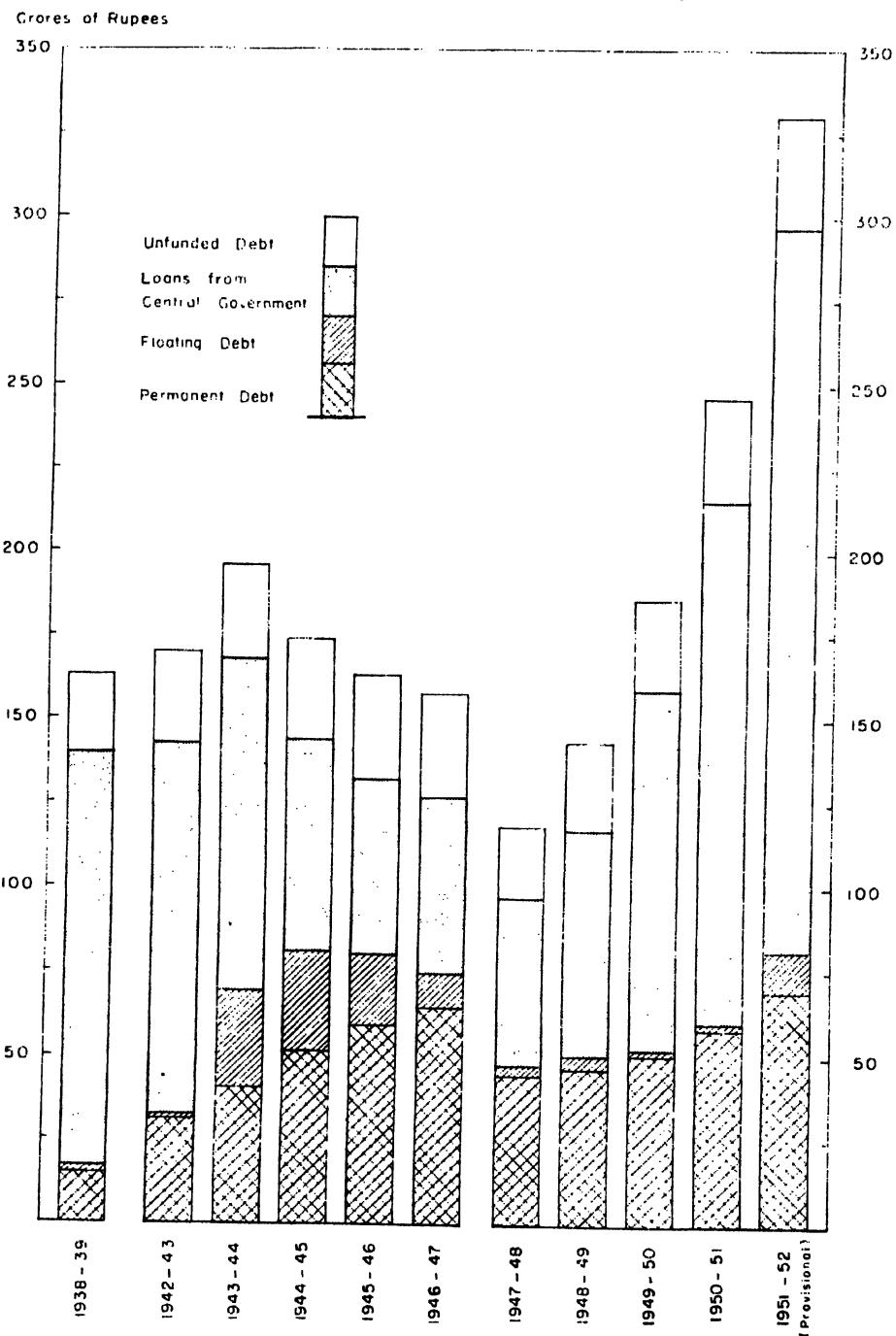
GRAPH 27

**GOVERNMENT OF INDIA'S
Interest-bearing Obligations and Interest-yielding Assets**



GRAPH 28

DEBT POSITION OF PART A STATES



Institutional investors continued to show their preference for holding securities in Subsidiary General Ledger Accounts, though there was a slight decline in the percentage in favour of G.P. Notes.

89. *Small Savings.*—As regards the small savings campaign, in 1951-52, gross receipts amounted to Rs. 141.49 crores and gross repayments Rs. 105.85 crores. There was thus a net rise of Rs. 35.64 crores in small savings as against a comparable rise of Rs. 33.44 crores in 1950-51, when gross receipts stood at Rs. 130.09 crores and gross repayments at Rs. 96.65 crores (*vide* Statements 76-78 and the Table below). Of the total net receipts of Rs. 35.64 crores, national savings certificates accounted for the largest amount, namely, Rs. 17.89 crores, as against Rs. 17.34 crores in 1950-51; the new Treasury Savings Deposit Certificates, which were introduced on February 1, 1951, accounted for Rs. 13.08 crores. But there was a considerable decline in the net receipts from Post Office Savings Bank Deposits, which during 1951-52 rose by only Rs. 9.80 crores as compared with Rs. 16.27 crores in 1950-51.

(Lakhs of Rupees)

	Outstanding at the end of									
	1941-42	1942-43	1946-47	Aug. 47	1947-48	1948-49	1949-50	1950-51	1951-52†	
Cash Certificates	39.01	34.57	39.22	37.69	-3.07	-7.40	-11.36	-15.90	-20.20	
Defence Savings Certificates ...	4.35	5.56	5.18	4.79	-40	-75	-1,02	-1,70	-2.55	
Defence Savings Bank Deposits ...	11	41	10.93	6.02	-3.16	-4.07	-4.40	-4.63	-4.70	
Savings Bank Deposits	52.07	52.22	142.35	140.82	10.12	29.91	45.09	61.36	71.16	
National Savings Certificates ...				70.62	71.98	9.21	25.07	40.60	57.94	75.83
Treasury Savings Deposit Certificates								5.31	18.30	
Total	85.54	92.76	260.30	270.30	12.70	42.67	68.85	102.20	137.93	

Note.—Since 1947-48, figures are for the Indian Union only, exclusive of the share in the pre-Partition outstanding.

† Provisional

With effect from August 13, 1951, the facility for accepting subscriptions to the Ten-Year Treasury Savings Deposit Certificates was extended to all District Treasuries in Part 'A' States where the Imperial Bank of India does not transact Government Treasury business, and also to the Treasuries in Bhuj (Kutch), Imphal (Manipur) and Coorg-Mercara (Coorg).

With a view to further encouraging savings, Government have since initiated certain new measures. The scheme for the appointment of extra-departmental post-masters as authorised agents for the sale of twelve-year National Savings Certificates has been introduced with effect from April 1, 1952. Also, by a Press Note dated March 28, the Central Government have raised as from April 1, 1952, the maximum amount of deposit which a single holder may hold in a post office savings bank account from Rs. 10,000 to Rs. 15,000 and that for joint accounts from Rs. 20,000 to Rs. 30,000. Further, with effect from the same date, interest will be allowed on ordinary savings bank accounts at the rate of 2 per cent per annum on any balance not exceeding Rs. 10,000 and at the rate of 1½ per cent per annum on the remainder of the balance in excess of Rs. 10,000. No interest will, however, be allowed on an account (1) if during a month the balance at its credit falls below Rs. 25 at any time between the 4th day and the last day of the month and (2) if the amount of interest accrued on it during a year is less than 8 annas. Hitherto, the rate of interest was 1½ per cent on balances below Rs. 200 and 2 per cent on balances above Rs. 200.

90. State Loans.—During the year, five State Governments, namely, Bombay, Madras, Uttar Pradesh, West Bengal and Madhya Pradesh floated loans of the aggregate face value of Rs. 10.75 crores, their respective shares being Rs. 3 crores, Rs. 3 crores, Rs. 2 crores, Rs. 1.75 crores and Rs. 1 crore. All the loans bear interest at 3½ per cent and are repayable in 1962. The issue prices for the Bombay and West Bengal loans were fixed at par, for the Madras loan at Rs. 99.12 and for the Uttar Pradesh and the Madhya Pradesh loans at Rs. 99.8 for every Rs. 100 nominal. The lists were opened on September 17, 1951; all the loans were fully subscribed.

During 1951-52, the 3½ per cent U.P. Encumbered Estate Act Bonds of a nominal value of Rs. 72,400 were issued; as against this, the amount of the bonds repaid came to Rs. 7.14 lakhs. The balance outstanding as at the end of March 31, 1952 was Rs. 2.40 crores.

No State loan matured for redemption during 1951-52.

91. Debt Position of Part A States.*—The total gross debt of Part 'A' States rose by Rs. 84.26 crores to Rs. 330.12 crores during the year under review (*vide Statement 65 and Graph 28*). Loans from the Central Government continued to constitute the most important item, accounting for Rs. 215.66 crores representing a rise of Rs. 60.54 crores during 1951-52, as against a rise of Rs. 48.41 crores in 1950-51 and Rs. 39.33 crores in 1949-50. Other items comprised Rs. 69.07 crores of permanent debt, Rs. 12.03 crores of floating debt and Rs. 33.36 crores of unfunded debt. Total gross debt of Part 'A' States at the end of March 1952 constituted about 104 per cent of their total annual revenue.

VII. BALANCE OF PAYMENTS AND FOREIGN TRADE

92. General.—The trade policy of the country during the year was directed towards augmenting the supply of goods required for economic development as well as for essential consumption, and reducing the impact of world inflationary forces prevailing at the beginning of the year. These objectives were sought to be achieved by liberalising imports, by restricting export quantities, and by mopping up additional export earnings through imposition of high export duties. Two events rendered the task of obtaining a higher quantum of imports easier. One was the recognition of the exchange rate of the Pakistan Rupee by India, which facilitated resumption of trade with Pakistan. The other was the grant of the U.S. Wheat Loan, which made possible larger imports of food. This loan was of special importance; for, although it was conceived in terms of India's food requirements, it was linked in a definite manner to the development plans of the country through the creation of a Special Development Fund from the sale proceeds of wheat.

As regards exports, the initial phase of restriction was later followed by a certain amount of relaxation, when it became clear that international conditions of demand had changed. These relaxations, however, came towards the very end of the financial year, and had little effect on the balance of payments during the year.

While efforts were being made to increase the quantum of imports and reduce that of exports, the terms of trade which were favourable to India at the beginning of the year gradually deteriorated and resulted in enlarging the balance of payments deficit on current account. This deficit was financed partly by the U.S. Wheat Loan, partly by drawings from the IBRD loans already

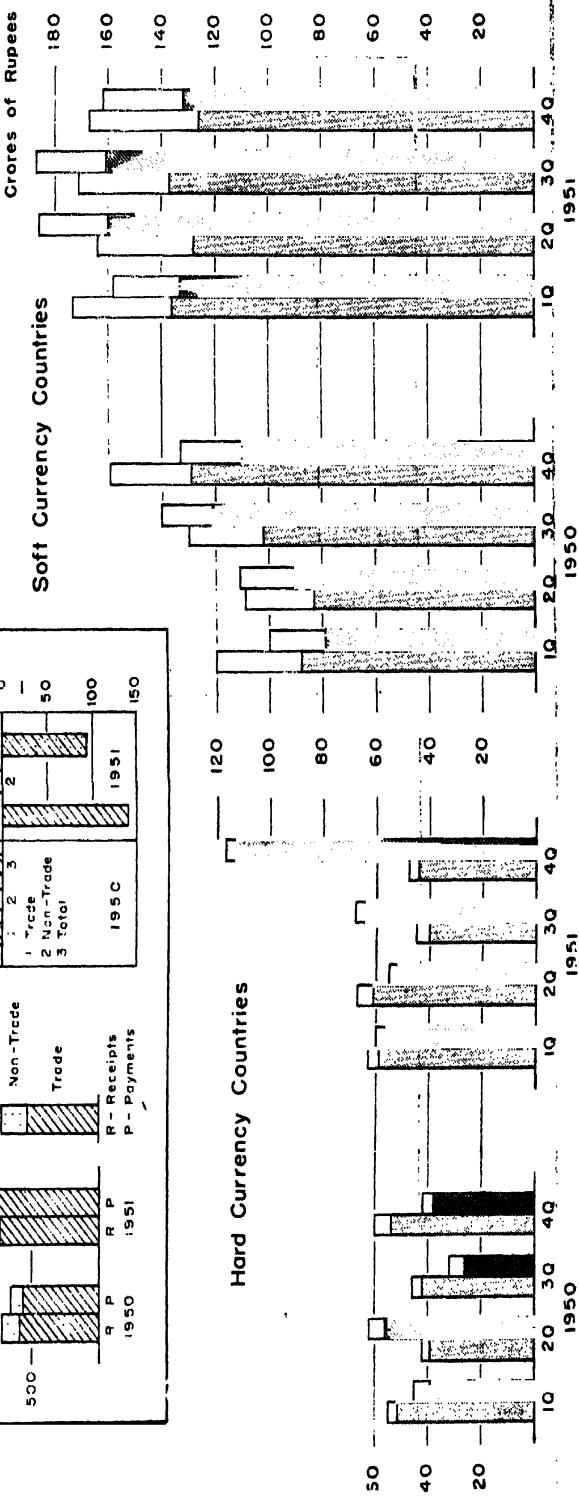
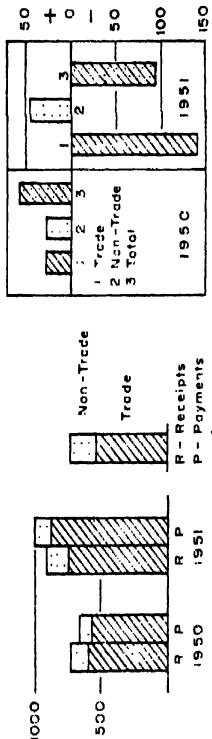
* Based on the returns furnished by the States.

GRAPH 29

**INDIA'S BALANCE OF PAYMENTS (INCLUDING PAKISTAN)
CURRENT ACCOUNT**

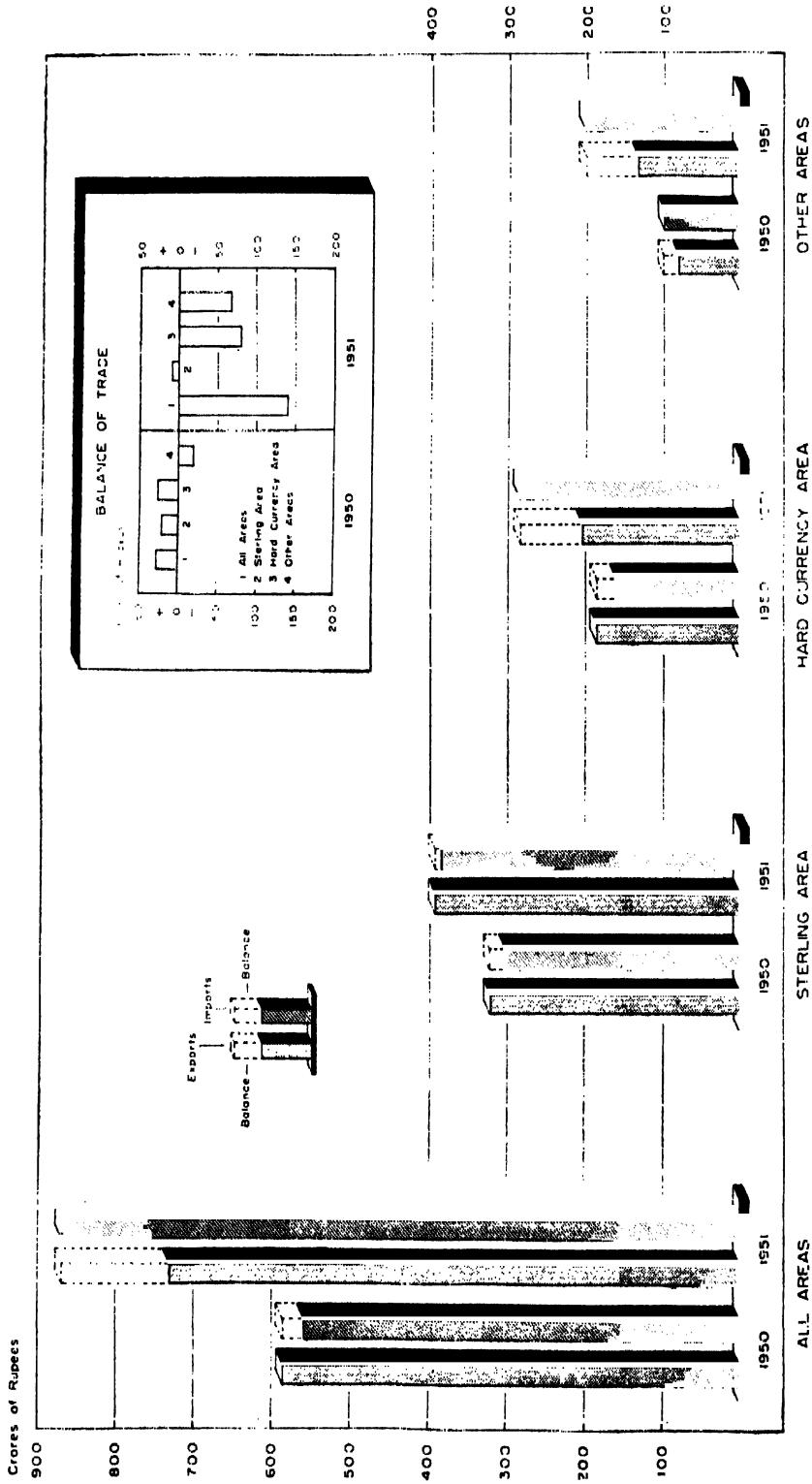
**INDIA'S OVERALL BALANCE OF PAYMENTS
INCLUDING PAKISTAN**

(Crores of Rupees) NET POSITION



GRAPH 30

INDIA'S TRADE WITH FOREIGN COUNTRIES INCLUDING PAKISTAN



granted, and partly by the running down of sterling reserves. Though promises of assistance were received from the Commonwealth countries in accordance with the Colombo Plan, they did not affect either the balance of payments position or the resources available to the country during 1951-52, since the greater part of the assistance promised would be drawn after March 1952. Their chief significance, however, consists in the fact that, like the U. S. Wheat Loan, they marked the beginning of a new trend in international economic relations, based on the principle of a co-operative approach to the problems of development of under-developed countries.

The overall balance of payments position for the year under review is outlined below, while a more detailed description of the different trends is given at a later stage (*vide* Statement 79 and Graphs 29 and 30).

The Table below compares briefly the position on current account for the years 1950 and 1951 as also between the two halves of 1951.

		1950	1951	(Crores of Rupees)	
				1951 (Preliminary)	
				January-June	July-December
Imports c. i. f.					
(a) Private	410.7	601.8	286.4
(b) Government	148.3	268.4	114.2
Total Imports (a+b)	559.0	870.2	400.6
Exports f. o. b.	587.1	730.5	383.5
Trade Balance	+28.1	-130.7	-17.1
Invisibles (Net)	+29.4	+46.2	+25.4
Current Account (Net)	+57.5	-93.5	+8.3
					-101.8

It will be seen that as compared to 1950 (a) the values of both imports and exports rose to high levels in 1951, but (b) the former having risen more than the latter the trade balance changed from a surplus of Rs. 28.1 crores in 1950 to a deficit of Rs. 130.7 crores in 1951; (c) this was, however, offset to a small extent by the improvement of Rs. 16.8 crores in the balance on invisible account. Considering the size of the invisible account this last feature must be regarded as rather remarkable. The record figure for imports is attributed to a rise both in prices and volume, whereas exports benefited mainly through rise in prices, their volume having actually declined slightly from the 1950 level. A part of the increase in the value of exports in 1951 over 1950 is attributable to increases in existing export duties and levying of fresh ones during the year.

Out of the total increase of Rs. 311.2 crores in the value of imports, Rs. 120.1 crores was on account of higher imports of food and stores on Government account and Rs. 191.1 crores in the value of private trade. As explained earlier, the former was necessitated by the low level of stocks at the beginning of the year owing largely to lower food imports in the preceding year and failure of crops in some parts of the country. The latter is accounted for by the rebuilding of stocks of essential industrial raw materials, which were depleted in the previous year owing to adverse international conditions.

93. *Developments in Trade Policy.*—The trade policy as it shaped during the year 1951-52 falls broadly into two periods : (1) the period upto the end of December 1951 and (2) the first quarter of 1952.

The first period witnessed a continuation of the policy pursued in 1950-51. Its primary aim was to liberalise imports with a view to enabling industries to acquire adequate supplies of raw materials both for current requirements as well as for rebuilding inventories and restrict exports so as to conserve supplies for meeting the increased pressure of domestic demand generated by the post-Korean boom.

As the year progressed, the tempo of stockpiling was reduced while production showed increases in response to the earlier rise in prices, with the result that the boom petered out and a recession in prices followed. The tighter monetary policies adopted at home and by many other important countries also acted in the same direction. As a result of these changes in the economic setting, the Indian trade policy underwent a change in the first quarter of 1952, in that although the liberal import policy remained unchanged, emphasis was now shifted from control of exports to their liberalisation. Details of the policy changes as regards both imports and exports in the two periods are explained below.

Liberalisation of imports in 1951 had several facets. Firstly, Open General Licence No. XXIII was issued in June 1951 to replace Open General Licence No. XXI which was due to expire by December 31, 1951. The new O.G.L. allowed imports without licences if they were shipped before June 30, 1952. It virtually continued the facilities provided under O.G.L. XXI but had a wider scope. The important items included were iron or steel wire ropes and wire strands, sisal hemp, drugs and medicines, wood and timber etc.

The import policy for July-December 1951 broadly continued the policy for the first half of the year. Modifications were made only to meet the rising costs of imports. Thus, a 10 per cent increase in the value of licences issued was granted to cover increased costs of imports. It was also announced that supplementary licences would be issued if this increase was found inadequate and that licences issued for July-December would be valid for January-June 1952. Besides, there was a considerable liberalisation both in respect of trade items and value of licences. In this respect certain commodities deserve special mention. Firstly, for the 1951-52 cotton year, it was planned to import 16 lakh bales of cotton, of which 11.25 lakhs were to be from the U.S.A. Secondly, the value of licences for import of drugs and medicines issued during January-June 1951 was doubled. It was also decided to extend the initial validity period of licences for capital equipment and heavy electrical plant from six months to one year following the recommendations made by the Import Control Enquiry Committee.

While imports were thus being liberalised, the policy regarding export controls underwent a change in the direction of restricting export quantities depending on the domestic supply position. Heavy exports of cotton textiles in 1950 had resulted in supplies to the domestic market being sharply reduced in the early months of 1951. In view of this development, the rebate of import duty on raw cotton (of 2 annas per lb.), which was granted as an export incentive in 1950 in regard to exports of cotton textiles manufactured out of imported cotton, was withdrawn. Moreover, the export quota for cotton textiles was drastically reduced and it was decided to permit exports of only 190 million yards of cloth in 1951, in addition to the balance on existing licences issued earlier. Restrictions were also placed on the quantity a mill could pack for export during a particular month against valid licences. The proportion of such cloth which was 40 per cent in March 1951 was reduced to 10 per cent in April; however, with improvement in the position, the restriction was relaxed since August 1951 by raising the proportion to 25 per cent of the output in any one month. Subsequently, restrictions on monthly packing for export were removed, although it was decided that only 40 per cent of the quantity of cloth licensed for export could be shipped before March 1952.

Destinational controls regarding jute goods and tea were continued. The export quota for high grade manganese ore was fixed at 1 million tons for 1951. Exports of industrial chemicals and drugs, instruments and appliances and certain other manufactured and semi-manufactured articles were also brought under control by modifying O.G.L. 4.

As the return to the buyers' market which was gradual in 1951 became more marked in the first quarter of 1952, new export quotas were announced or existing ones raised. Thus, for wool the quota of 20 million lbs. announced in October 1951 was raised to 25 million lbs. in March 1952. For cotton, the fresh quota announced was 1,25,000 bales—1 lakh bales of Bengal deshi, 15,000 bales of Dholleras (for the U.K.) and 10,000 bales of Assams and Comillas. Destinational restrictions on jute goods were first modified and then removed by the end of March 1952; destinational control on export of cotton textiles to *entrepos* like Aden, Macao and Hongkong was also removed.

In June 1951, owing to continuance of pressure of demand from abroad and wide disparity between domestic and foreign prices, the export duties on coarse and medium cloth and on groundnuts had been raised from 10 per cent *ad valorem* to 25 per cent *ad valorem* and from Rs. 80 per ton to Rs. 150 per ton, respectively. Besides, an export duty at Rs. 150 per ton on all other oilseeds excepting linseed and at Rs. 300 per ton on all oils except linseed oil had been levied. The corresponding duties on linseed and linseed oil were to be Rs. 100 and Rs. 200 per ton, respectively. These levies were in accordance with the objective of diverting the difference between the home price (which was low) and the foreign price (which was high) to the exchequer so as to prevent the inflationary impact of higher foreign prices from communicating itself to the domestic economy. The return of buyers' market removed the necessity for these levies. There followed, therefore, a series of reductions in export duties. The duty on mustard oil was reduced from 8 annas a lb. to 3 annas a lb. in November 1951. That on hessian was halved to Rs. 750 per ton on February 18, 1952; on March 16, 1952, the export duty on raw cotton was reduced from Rs. 400 to Rs. 200 per bale and on soft cotton waste from 50 per cent *ad valorem* to 30 per cent *ad valorem* and duties on raw wool, groundnut oil, nigerseed and kardisseed were abolished *in toto*.

94. *Trends in Balance of Payments.*—The trends in the balance of payments position from quarter to quarter during the year under review and as between 1950 and 1951 are shown in the Table below:—

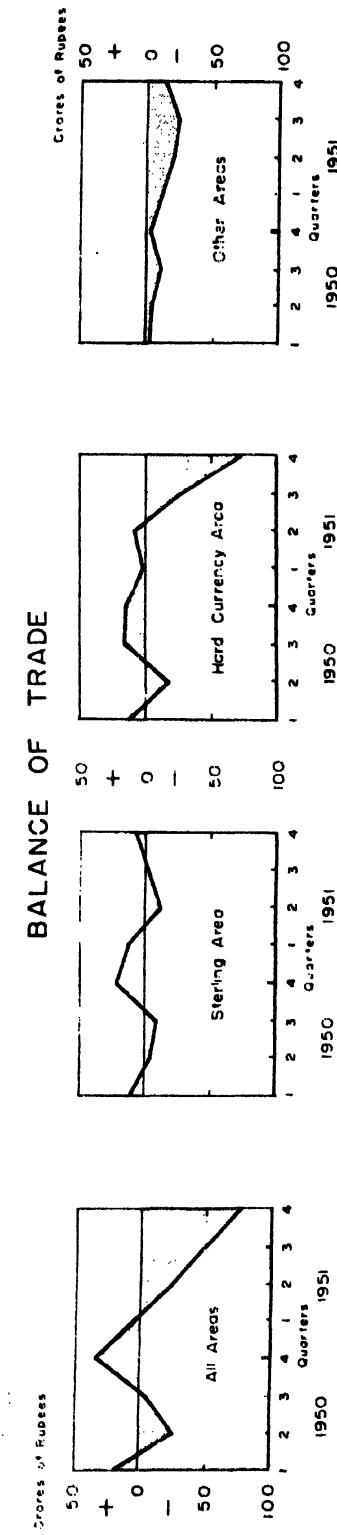
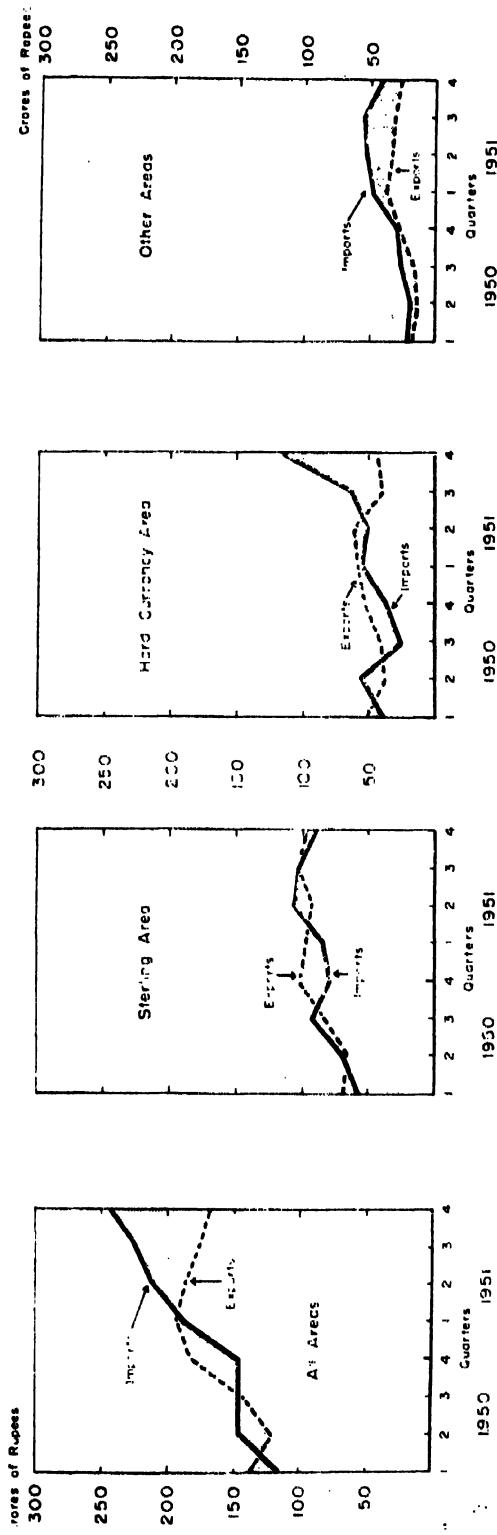
	1951				(Crores of Rupees)		
	1st Qr.	2nd Qr.	3rd Qr.	4th Qr.	Year	1951	1950
Imports : c.i.f. Values ...	188.9	211.7	224.6	245.0	870.2	559.0	
Exports: f.o.b. Values ...	194.3	189.2	176.9	170.1	730.5	587.1	
Trade Balance ...	+ 5.4	-22.5	-47.7	-74.9	-130.7	+28.1	
Invisibles (Net) ...	+13.9	+11.5	+ 9.5	+11.3	+46.2	+29.4	
Current Account (Net) ...	+19.3	-11.0	-38.2	-63.6	-98.5	+57.5	
Errors & Omissions ...	+19.3	-14.4	-18.8	- 9.9	-23.8	-22.7	
Capital Account (Net) ...	+38.6	-25.4	-57.0	-73.5	-117.3	+34.8	
Imports Quantity Index : 1948-49=100 ...	81	109	104	105	100	77	
Exports Quantity Index : 1948-49=100 ...	137	98	87	86	102	107	
Imports Unit Values Index: 1948-49=100 ...	122	138	157	151	142	105	
Exports Unit Values Index: 1948-49=100 ...	150	183	189	175	174	..	
Net Terms of Trade ...	123	133	120	116	123	..	

It may be noticed that in 1951 a surplus on current account was achieved only in the first quarter. This was due mostly to the spurt in exports (*vide* Statement 80). While prices remained more or less stationary at the level attained in the last quarter of 1950, the export volume index rose to 137 from 126 in that quarter. Apart from the seasonal factors that contributed to the rise in the value of exports, the improvement was in part due to the heavy purchases of commodities made by western countries in the period of post-Korean boom. The value of imports, though it continued to lag behind exports, also rose by Rs. 40.5 crores over the previous quarter, due to an increase in both volume and prices. By the end of the second quarter, however, the payments position deteriorated; a deficit of Rs. 11 crores appeared, owing mainly to a rise in imports of Rs. 22.8 crores and a fall in exports of Rs. 5.1 crores. This was the turning point in the course of the balance of payments. Although the volume index of exports dropped from 137 in the first quarter to 98, the price index rose by 33 points so that export earnings registered only a slight decline. The upward trend noticed in respect of both volume and prices of imports in the previous quarter continued in the second quarter, the two indices having reached 109 and 138, respectively. The quarter also witnessed the impact of the Trade Agreement concluded with Pakistan. Of the rise in imports, nearly Rs. 20 crores was accounted for by imports from Pakistan.

During the last two quarters, the trend towards deficits increased, the respective figures being Rs. 38.2 crores and Rs. 63.6 crores. The continuous rise in the value of imports, which reached a peak of Rs. 245 crores in the last quarter of the year, together with the continuous decline in exports led to a deterioration

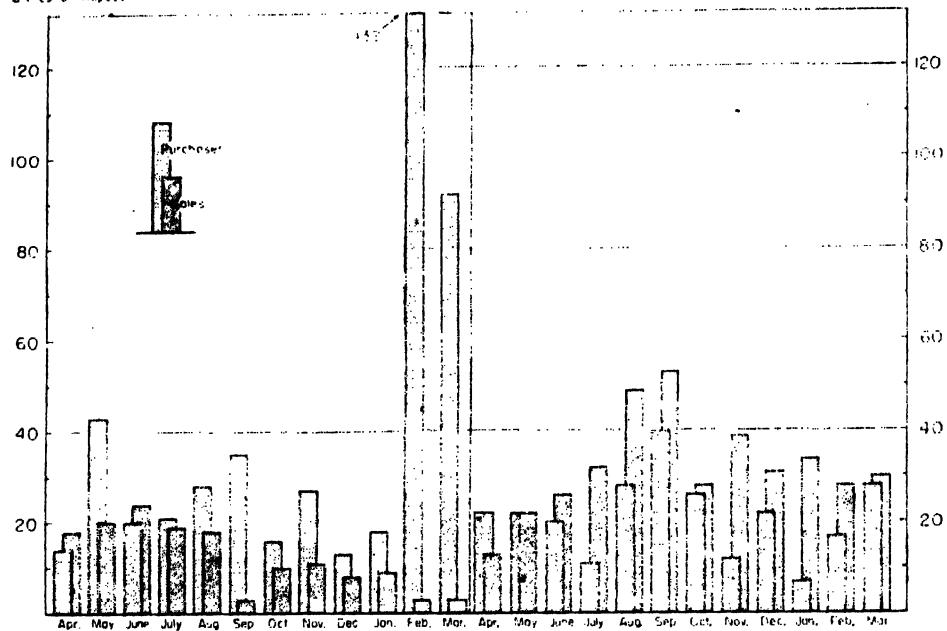
QUARTERLY MOVEMENTS IN INDIA'S EXPORTS AND IMPORTS

INCLUDING PAKISTAN



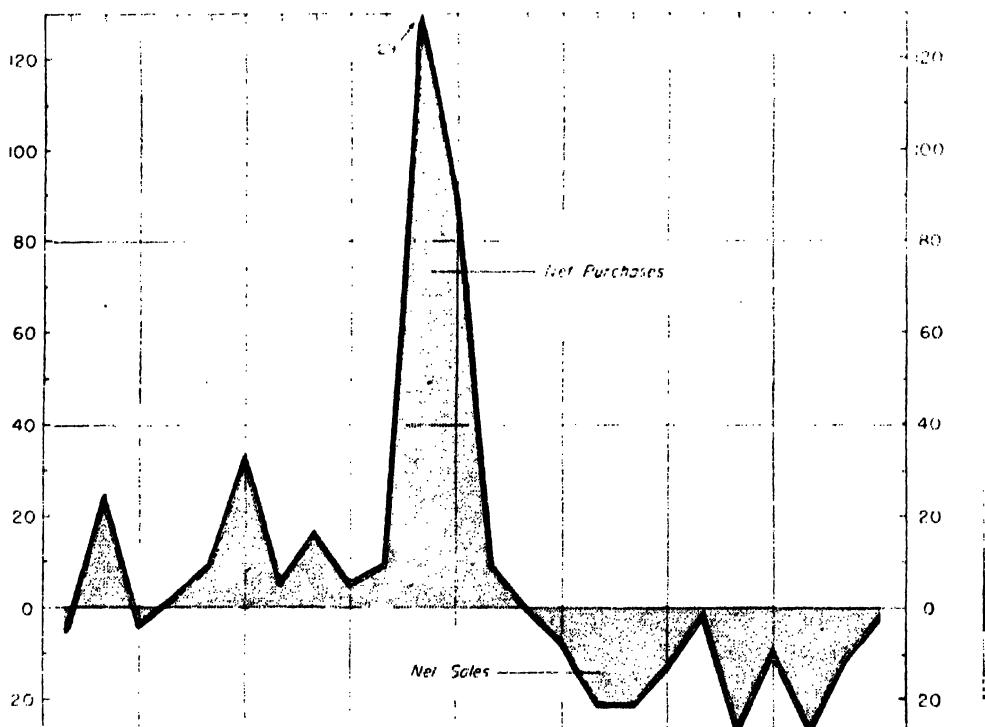
STERLING TRANSACTIONS OF THE RESERVE BANK OF INDIA

Crates of Rupees



1950 - 51

1951 - 52



1950 - 51

1951 - 52

in the payments position during the two quarters. While the volume of imports declined slightly from the second quarter, their prices spurted up in the third quarter; subsequently, however, they recorded a small decline.

The imports of foodgrains under the U.S. Wheat Loan, which commenced towards the middle of the year, the issue of O.G.L. XXIII in June 1951 covering a wider area and a larger number of goods and the licensing of substantial imports of raw cotton from the U.S.A. were the main factors which accounted for the rise in the value of imports. The fall in the demand from abroad for stockpiling and for rearmament purposes in the latter half of the year adversely affected export earnings. The terms of trade, although not strictly comparable with those for 1950, were relatively favourable for the year as a whole. As regards the change in terms of trade between 1950 and 1951 no direct comparison is possible owing to a change in the basis of recording export values*. However, available information indicates that during 1951 they recorded an improvement which lasted till the end of the third quarter. During the last quarter of the year there was a setback because of a relatively rapid fall in export prices. For the year 1951 as a whole, however, the terms of trade were relatively favourable compared to the preceding year.

The figures for transactions on capital account given in Statement 79 (B) show that the net disinvestment on capital account during 1951 was Rs. 117.3 crores. Nearly one-third of the disinvestment resulted from transfers of sterling to Pakistan for financing the deficit with that country. In Statement 81 the data relating to the current and capital transactions for 1950 and 1951 have been rearranged to indicate the extent and manner of compensatory financing of the surplus or deficit. Allowing for 'donations' and private capital movements, special official finance and errors and omissions, in 1951 there was a deficit of Rs. 108 crores on goods and services to be met by Government. This deficit was financed by a reduction in the foreign assets of official and banking institutions to the extent of Rs. 46.7 crores and by an increase in their liabilities (excluding liabilities to IBRD) to the extent of Rs. 61.4 crores. The drawings amounting to Rs. 58.5 crores on the U.S. Wheat Loan were the largest single item of compensatory official finance which covered slightly more than half of the deficit. In contrast, in 1950 the current account surplus had resulted in an increase of Rs. 21.1 crores in foreign assets.

The data in the Table below show that the deficit in 1951 was entirely accounted for by transactions with the non-sterling area countries (*vide Statement 82 and Graph 31*). The deficit with these countries rose from Rs. 1.8 crores in 1950 to Rs. 159.1 crores in 1951. Despite the heavy deficit of Rs. 46.9 crores with Pakistan in 1951, as against Rs. 2 crores in 1950, there was actually an increase in the surplus with the sterling area.

	(Crores of Rupees)					
	1950			1951		
Sterling Area (including Pakistan)	+59.3	+65.5
Hard Currency Area	+23.2	-78.7
Other Areas	-25.0	-82.4
Total	...				+57.5	-93.5

* The inclusion of duties and handling charges in the customs statistics since April 1951 makes the data for 1950 non-comparable with the data for 1951.

Excluding Pakistan there was a surplus with the rest of the sterling area of Rs. 112.5 crores as against Rs. 61.9 crores in 1950. This increase was made up of an increase in net invisible receipts of Rs. 13.1 crores and an improvement in the trade balance of Rs. 38.1 crores. The more favourable trade balance in 1951 was achieved by the improvement in exports which was larger than the rise in imports. Exports increased by Rs. 76.2 crores over the year. Larger shipments of almost all the principal exports to this area, particularly jute goods, tea and spices, together with their higher prices, more than offset the fall in cotton textile exports from Rs. 103 crores in 1950 to Rs. 77 crores. On the import side the increase was mainly in commercial imports; imports on Government account, especially of food from Australia, declined.

The balance of payments position on current account with Pakistan, which was more or less in balance in 1950, showed a deficit of Rs. 46.9 crores in 1951 (*vide Statement 83*). The trade deadlock with Pakistan which was temporarily eased by the conclusion of a short period trade agreement in April 1950 continued till the end of February 1951 keeping the magnitude of transactions at a relatively low level in the first quarter of 1951. After February 25, 1951, when a new trade agreement was concluded, normal trade relations were resumed which led to the reappearance of large deficits. Payments for imports in the second and third quarters rose to Rs. 25.6 crores and Rs. 29.8 crores, respectively, owing to large raw jute imports at high prices. In the last quarter, however, the value of imports dropped to Rs. 17.9 crores because of reduced imports of raw jute. Part of the decline was also attributable to the lower raw jute prices and reduced imports of other items, particularly foodgrains. Exports (Rs. 25.9 crores in 1951) were less than in 1950. The poor offtake of cotton textiles and other items of exports generally imported by Pakistan was mainly responsible for the lower level of exports. The fall of Rs. 5.6 crores in the exports of cotton textiles was especially significant. The absence of a quota for cotton textiles from India during March-June 1951 and probably competition from other supplying countries, e.g., Japan, affected exports from India adversely. Although exchange control was extended to Pakistan simultaneously with the conclusion of the trade agreement in February 1951, transactions on invisible account were negligible in the first half of the year. This was because of the initial difficulties in making reciprocal arrangements, most of which were overcome subsequently.

The payments position with the hard currency area changed from a surplus of Rs. 23.2 crores in 1950 to a deficit of Rs. 76.7 crores in 1951*. The entire change came about in the latter half of the year; the deficit incurred during the second half amounted to Rs. 91.6 crores, but this was partly offset by the surplus of Rs. 14.9 crores in the first half of the year. The value of imports rose over the year to Rs. 284.2 crores. Commercial imports of raw cotton (Rs. 45.7 crores in 1951 as against Rs. 35.2 crores in 1950), machinery and other essential goods recorded increases in 1951. Expenditure on Government account also rose, mainly owing to larger purchases of foodgrains the supplies of which were not available in adequate quantities from the soft currency countries. Of the total imports of Rs. 149.5 crores on Government account, nearly Rs. 76 crores represented the cost of imports of wheat (and other incidental charges) under the U.S. Wheat Loan. Exports, on the other hand, after rising to Rs. 119.8 crores in the first half of the year dropped to Rs. 84.1 crores in the second half. With the exception of jute manufactures, the exports of which declined only slightly, all other major exports to this area, i.e., spices, tea, cotton textiles, seeds etc. declined substantially in the latter half of the year. The decline in demand from the dollar area,

*Certain countries (Belgium, Switzerland, Germany) were removed from the hard currency list towards the end of 1950. If these countries were to be included in the 1951 figures, the hard currency deficit would be even larger.

especially for consumer goods, was partly a reaction to the larger purchases made in 1950 and early 1951 ; it was also caused by consumer restraints and uncertain business prospects in the second half of 1951.

The adverse balance with the 'other areas' amounted to Rs. 82.4 crores as against Rs. 25 crores in the preceding year. The deterioration occurred mainly in trade, the adverse balance in which increased from Rs. 18.9 crores in 1950 to Rs. 67.4 crores in 1951. The rise in imports amounting to Rs. 102.1 crores reflected an increase in commercial as well as Government imports which were almost twice as large as in the previous year. Large food imports particularly from China accounted for the rise in Government imports. Commercial imports from European countries, particularly from those which were added to the soft currency list showed substantial increases. Of the rise in the value of commercial imports of Rs. 84.2 crores, payments for raw cotton from Egypt alone accounted for Rs. 20.3 crores. Exports, particularly of jute manufactures, spices, tea and oils also rose, but to a much smaller extent. Apart from this, the balance grew more unfavourable in 1951 on invisible account ; as against a deficit of Rs. 6.1 crores in 1950, the deficit in 1951 was Rs. 15 crores. This was accounted for by a sharp increase in pilgrim payments which approximated to Rs. 15 crores in 1951 as against Rs. 4 crores in the preceding year.

95. Trade in Principal Commodities.—The trends in India's foreign trade by commodities, both in respect of value and direction, are shown in Statements 84 to 90. Statements 84 and 86 indicate the extent to which the policy of liberalising imports, explained earlier in this Chapter, resulted in larger imports of industrial raw materials like cotton, mineral oils, machinery, vehicles, chemicals and dyes. Increased imports were also facilitated by increased availability of goods consequent on increased world production of some important staples of world trade, the efforts of the IMC to allocate strategic materials in short supply, the cessation of scare buying and the slowing down of the tempo of stockpiling. As early as July 1951, the Government of India had decided to license imports of American cotton amounting to 6 lakh bales. This programme was subsequently liberalised so as to allow total imports from all sources of 16 lakh bales for the cotton year September 1951 to August 1952. Import values of plant and machinery showed progressive increases partly as a result of greater availability and partly on account of higher invoice prices. Increased imports of vehicles and increased freights (consequent on the stoppage of Abadan oil) accounted for the steady rise in the value of imports of vehicles and mineral oils. The stepping up of the programme of food imports to 5 million tons for the year 1951, including wheat obtained under the U.S. Wheat Loan Agreement and the rise in shipping freights brought about a sharp increase in the value of food imports.

As regards exports (*vide Statement 85*), figures of value for 1951 are not strictly comparable with those for 1950 as, from April 1951, they are based on *f.o.b.* values. Consequently they also include the payments made for export duties.

Over the year as a whole, the value of exports of jute manufactures doubled as compared with the previous year. In the main, this was accounted for by the decontrol of prices of jute manufactures on March 9, 1951, although a part of the rise was attributable to the change in the method of recording export values from April 1951. Export values of spices, tea, gums, resins and lac showed moderate increases while exports of cotton textiles showed substantial decline.

Quarterly figures of exports show that exports of 'Food' and 'Raw Materials' declined in the second quarter of 1951 as compared with the first. For the third

quarter, there was an appreciable increase under the 'Food' group mainly due to an improvement in the exports of tea and tobacco. This encouraging trend was carried further in the last quarter of 1951. 'Raw Materials' and 'Manufactures' groups showed a steady decline in the third and fourth quarters, the deterioration being most marked in the fourth quarter. All commodities in these groups with the exception of gums, resins and lac, metallic ores and scrap iron or steel for re-manufacture, wool (raw and waste), other textile materials and cotton yarns and piecegoods which showed recovery between the third and fourth quarters, and jute manufactures which rose in the third quarter shared in the deterioration.

Exports to the U.S.A. (*vide Statement 87*) were the lowest in the quarter July-September 1951. Exports of jute goods, spices, tea and manganese ore showed some recovery in the last quarter, but those of cashew kernels and mica continued their downward trend. The decline in exports in the third quarter of 1951 was mainly due to the low level of exports of jute manufactures. The weakening of post-Korean War boom and the imposition in May 1951 of ceilings on hessian, which were lower than its landed cost in the U.S.A., created price resistance to hessian towards the end of the second quarter. It was further intensified by expectations regarding (1) a larger jute crop both in India and Pakistan during the jute year 1951-52, (2) a larger cotton crop of 17 million bales in the U.S.A. during the cotton year 1951-52, and (3) the possibility of a reduction in the high export duty on hessian. The influence of these expectations, however, tended to wear off by October 1951. Nevertheless the trend of exports continued to be uncertain depending on favourable or unfavourable influences at work till February 1952, when it became clear that there was no likelihood of a permanent recovery unless the export duty on hessian was lowered. With this realisation the export duty on hessian was halved on February 18, 1952 to Rs. 750 per ton.

Exports of jute goods to soft currency countries were on a quota basis and as supplies became plentiful, consequent on a bumper raw jute crop of 47 lakh bales in the Indian Union in 1951-52 and assured supplies of raw jute from Pakistan under the Trade Agreement of February 1951, additional export quotas to soft currency countries were granted in July 1951 and in November-December 1951. But soft currency markets for jute goods such as Argentina and Australia were steadily shrinking as a result of the short grain crops and the resultant reduced exportable surpluses of wheat. The destinational restrictions on exports of jute goods were, therefore, abolished in March 1952 to promote exports.

The U.S.A. was the principal consumer of gunny cloth, importing goods worth Rs. 46 crores in 1951 (*vide Statement 88*); the U.K. and Argentina came next with Rs. 29 crores and Rs. 19 crores, respectively. In gunny bags, Australia was still the principal consumer, its purchases amounting to Rs. 23 crores in 1951 and Cuba was second with Rs. 11 crores. The decline in exports of jute goods as a result of the recession abroad became more visible in the export figures for January-March 1952. In spite of the cut in the export duty on hessian and the abolition of destinational restrictions, foreign demand for jute goods continued to be weak, and therefore, the I.J.M.A. decided to reduce the weekly hours of work from 48 to 42½ from March 31, 1952.

Exports of tea have shown an increase over the preceding year but owing to larger world production, Indian tea has met with greater competition in world tea market. Production rose in Indonesia from 78 million lbs. in 1950 to 101 million lbs. in 1951; the corresponding increase in Ceylon was from 316 to 326 million lbs. The production in India itself had risen to 622 million lbs. as compared with 605 million

lbs. in 1950. Exports to the U.K amounted to Rs. 82 crores during 1951 (*vide* Statement 89). Exports to the U.S.A. and Canada recorded slight declines as compared with the previous year. Notwithstanding the fact that the total exports of tea in 1951 gave indications of being steady, it is important to recognise that Indian tea has been steadily losing its share of the U.K. market; in the U.S.A. too, where tea imports from all sources have been steadily declining, Indian tea is losing ground to its competitors in the shrinking market.

India had attained in 1950 the position of being the world's leading exporter of cotton textiles. Restrictions subsequently imposed on exports from India and the rise in the world production in 1951, particularly that in Japan, brought about a sharp change in India's position. While total world exports of cotton textiles remained unchanged as between 1950 and 1951, India's exports dropped to 776 million yards in 1951 ranking fourth among all exporters. The decline in export value was from Rs. 92 crores in 1950 to Rs. 71 crores in 1951. Malaya constituted the major market for Indian textiles with imports in 1951 at Rs. 19 crores (*vide* Statement 90). Since the declining trend became more marked in the first quarter of 1952, in March, Government modified the destinational control on exports of cotton textiles to *entrepot*s like Aden, Macao, Hongkong and Singapore.

The value of exports of spices in 1951 was higher than in 1950. The same is true of other commodities like oils, hides and skins, wool etc. However, in some of these commodities too, the higher value figures for 1951 were more apparent than real, as they included payments on account of export duties. Further, in most commodities, there was increased competition owing largely to higher production in several countries. For example, in oils and fats, plentiful supplies of whale oil, groundnut oil and soyabean oil from China, olive oil from Italy and cottonseed oil from the U.S.A., made Indian groundnut oil difficult to sell. Similarly sales of Indian hides and skins were affected by Argentina's competition.

96. *Trade Agreements.*—In 1949-50, the Government of India had entered into trade agreements and barter deals with several countries. In 1950-51 many of the agreements were renewed or extended. These trade agreements had two objectives : (1) to ensure availability of essential goods, not otherwise obtainable, and to secure them from soft currency countries, and (2) to promote exports of Indian goods. With the progressive liberalisation of controls in several countries paving the way for normal commercial relations and with the reappearance of the buyers' market recently, the necessity for concluding trade agreements lessened. During the period under review, new agreements were concluded with Iraq*, Australia, Burma, Ceylon, Federal Republic of Germany and Italy†, and the existing agreements with Poland, Sweden‡ and Egypt** were renewed. The question of entering into fresh arrangements with Czechoslovakia, Austria, Spain, Finland, Hungary and Indonesia in place of agreements which expired during the course of the year (1951-52) is under consideration of Government. Renewal of agreement with Norway, which expired at the end of 1951 is also engaging the attention of Government, but the agreements with Switzerland and Japan have not been renewed. Owing to the low wheat crop in Argentina, the Indo-Argentine barter agreement which was due to expire in 1951 has also been allowed to lapse. The Treaty of Trade and Commerce between India and Afghanistan was ratified. The most significant of the new agreements concluded was that with Burma which extends over a period of five years and provides for the supply to India of

* Expired at the end of 1951 and has not been renewed. † Concluded in April, 1952.

‡ Renewed in May 1952. ** Renewed in June 1952.

2.4 lakh tons of rice for the period ending December 1951 and 3.5 lakh tons annually for the subsequent years. Details regarding the trade agreements are given in Statement 91.

97. *Tariff Board (Tariff Commission).*—*Tariff Commission.*—On January 21, 1952, Government of India, acting on the recommendations of the Fiscal Commission, replaced the Indian Tariff Board by appointing a statutory Tariff Commission under the Tariff Commission Act, 1951 consisting of three members with one of them as Chairman. The functions assigned to the Commission are much wider than those assigned to the previous Tariff Boards. Government might refer to the Commission for inquiry and report any matter requiring its opinion, such as :—

- (1) grant of protection for the encouragement of an industry,
- (2) variation in the customs or other duties for the protection of an industry,
- (3) action to deal with dumping and with abuses of protection by a protected industry,
- (4) effects of protection on the general price level and cost of living,
- (5) effect of tariff concessions under trade or commercial agreements on the development of any specified industry and
- (6) any anomalies arising out of protection.

The Commission has been empowered to consider claims to protection not only from established industries as in the past, but also from industries which have not yet started production but are likely to do so if they are granted suitable protection. The Commission can, on its own initiative, start inquiries with the exception of those relating to the initial grant of protection and the prices of particular commodities whether protected or not. In the latter two cases it can act only on a reference from Government. Further, the Commission is required to investigate and report periodically on the working of protection. Unlike the Board, the Commission has been invested with wide discretionary powers regarding the general principles relating to fixation of tariffs and the obligations of protected industries. The most important feature of the Tariff Commission, which is in contrast with the Board, is that the Commission would be free to decide the duration of protection according to the requirements of each industry and would not be restricted like the postwar Tariff Board to recommend protection for a period not exceeding three years. Moreover, the Tariff Commission Act requires Government to report to Parliament within three months after the submission of its report by the Commission, the action taken on it, and, in the event of failure to take action to explain the reasons therefor.

The Tariff Board.—During 1951-52, the Tariff Board conducted about 20 investigations and based on its recommendations, Government announced its action as regards protection to the following industries :

Group I. (1) Alloy, Tool and Special Steels, (2) Sericulture, (3) Photo-Chemicals, (4) Aluminium, (5) Artificial Silk, (6) Preserved Fruits, (7) Pickers, (8) Glucose, (9) Calcium Chloride, (10) Oleic and Stearic Acids, (11) Plywood and Tea-Chests, (12) Cotton and Hair Belting, (13) Woodscrews, (14) Steel Hoops

for baling, (15) Ferro-silicon, (16) Non-ferrous metals, (17) Grinding Wheels, (18) Dry Batteries, (19) Batteries for Motor Vehicles, (20) Bicycles and (21) Starch.

Group II. (1) Fluted Rollers and Tin Rollers, (2) Hydroquinone, (3) Machine Screws, (4) Zip Fasteners and (5) Electric Brass Lamp Holders.

Group III. (1) Milk Powder, (2) Copper Sulphate, (3) Electric fans, (4) Canned and Bottled Vegetables and (5) Raw Rubber.

Group I consists of industries which were already enjoying protection and whose claims for its extension were accepted by the Board for periods ranging in most cases from nine months to three years. In respect of items 8-21, although the Tariff Board could not undertake detailed investigations due to its pre-occupation with other urgent inquiries, it recommended continuance of protection to these industries upto December 31, 1952 on the basis of information collected. In almost all cases the existing rates of protective duties and concessions were to continue with the exception of sericulture and preserved fruits industries. For the sericulture industry the Board suggested a reduction in the protective duties on some of the items, while the remaining ones were to be subjected to existing duties. The sharp reductions recommended by the Board in the case of silk fabrics (Pongee and other sorts) were not, however, accepted by Government. As regards the preserved fruits industry, the Board suggested lowering of protective duties from 60 per cent to 36 per cent *ad valorem* for 'fruits in syrup', from 80 per cent to 40 per cent *ad valorem* for jams, jellies and marmalades, and for fruit juices, squashes and cordials, it suggested the removal of the then existing 40 per cent *ad valorem* duty. Government accepted the recommendations of the Board but imposed an additional duty equivalent to one quarter of the duty leviable thereafter under the Finance Act. In the case of aluminium, Government did not consider it necessary to continue the additional *specific* duty on aluminium ingots, sheets and circles, but allowed the existing protective duty of 30 per cent *ad valorem* to continue till May 1952.

Group II comprises industries whose claims for protection or assistance were examined for the first time and accepted by the Board. In most of the cases the existing revenue duties were converted into protective duties for a period of two to three years.

Group III includes industries which were seeking protection for the first time; their claims for protection were rejected by the Board. The Board felt that as the domestic production of milk powder was negligible in relation to demand there was no justification for increasing the burden on the consumer, who would have to depend on imports for the bulk of his requirements. There was no prospect of a substantial improvement in the supply position in the near future to enable the industry to dispense with protection. The Board, therefore, suggested that the industry should shift its location to areas where surplus milk was available and then approach Government for a reconsideration of its claims for protection. As regards the copper sulphate industry, the fair selling prices of indigenous products being appreciably lower than the landed cost ex-duty of comparable imports it was held that there was no case for protection. In the case of electric fans, protection was denied by the Board on the grounds that the industry was adequately protected in the internal market by standard revenue and preferential duties as well as by the restriction of imports. Canned and bottled vegetables industry was also refused protection as in the opinion of the Board a civilian market for canned products had not yet developed in the country.

Besides the above, the claim of the caustic soda and bleaching powder industry to protection was referred to the Board for the second time. The Board after due inquiries submitted its report recommending protection to the industry which was, however, not accepted by Government. Further, the Board reviewed the progress made by three of the protected industries, namely, soda ash, oil pressure lamps and pencils during the first year of protection and submitted its reports to Government.

The Tariff Board established in November 1950 a separate Review Division to conduct periodical enquiries into prices of protected goods with a view to ascertaining whether the industries concerned were taking undue advantage of the protection granted to them, by charging excessive prices. The Board submitted reviews on six protected industries, namely, soda ash, bicycles, sewing machines, grinding wheels, sheet glass and photographic chemicals. Steps were also taken to collect beginning July 1951 month-wise statistics relating to production, sales and stocks, wholesale and retail prices of protected goods.

The Tariff Commission took over from the Tariff Board five cases relating to claims for protection, namely, ball bearings and steel balls, woollen hosiery, transformers, flax goods and small tools; three cases relating to fixation of prices; and forty-two cases relating to review of protected industries. Government also referred to the Commission for investigation and report on the following : (1) reduction of import duty on meta-aminophenol used in the manufacture of para-aminosalicylic acid, (2) abolition or reduction of import duty on intermediates and raw materials used in the manufacture of certain dyestuffs, drugs and pharmaceuticals, (3) grant of protection (either by direct subsidies or by levy of protective duties) for the encouragement of the automobile industry.

The Commission also took over from the Board the following price inquiries : (1) revision of prices of steel produced by the Mysore Iron and Steel Works, Bhadravati; (2) revision of retention prices of tinplates produced by the Tin Plate Co. of India; and (3) fixation of a fair conversion rate for Registered Re-rollers. Of these, the first inquiry has been completed by the Commission.

Further, Government has referred to the Commission the question of revision of superphosphate prices for 1952 and raw rubber prices due for review on May 20, 1952. The inquiry into the former is in progress.

VIII. EXCHANGE CONTROL

98. *Sterling Transactions.*—During the current year, sterling transactions resulted in net sales of £98.15 million (Rs. 131.21 crores) as against net purchases of £235.56 million (Rs. 313.95 crores) in 1950-51 and of £139.55 million (Rs. 185.98 crores) in 1949-50 (*vide Statement 93*). Purchases fell short of sales during each month from May 1951 onwards, the lowest purchases at £4.97 million (Rs. 6.62 crores) being in January 1952 (*vide Graph 32*).

99. *Exchange.*—The Reserve Bank continued to buy sterling T.T. from banks for delivery within six months at 1s. 6d. and to sell for ready delivery at 1s. 5-63/64d. The Bank also sold sterling for delivery up to six months forward at 1s. 5-31/32d. but the demand was negligible.

In the sterling exchange market, banks' quotations to the public for ready T.T. remained unchanged throughout the year at 1s. 5-31/32d. selling and

Is. 6-1/32d. buying. Banks continued to quote *forward* buying rates for delivery up to one year, the T.T. buying rate for the last three months being quoted at Is. 6-1/16d. as against the rate of Is. 6-1/32d. during the first nine months. The *forward* selling rate for sterling T.T. for delivery up to six months remained unchanged at Is. 5-15/16d.

The London/New York exchange rate fixed at 2.79-7/8 selling and 2.80-1/8 buying remained constant up to December 15, 1951. On December 17, 1951, the Bank of England announced the widening of the spread of the official spot rates for U.S. dollars to 2.78 selling and 2.82 buying within which banks were free to operate; the rupee rates in India were adjusted from time to time only to correspond with the fluctuations in the cross rate.

Transactions in other foreign currencies in the Indian market were comparatively few except for a certain amount of business in Canadian dollars.

100. Developments in Exchange Control.—There was no basic change in the system of Exchange Control during the period under report except for minor alterations in some of the regulations.

General.—The following changes took place in the status of certain countries under the Indian Exchange Control Regulations :—

(i) As from August 31, 1951, the Western Zone of Germany (including British, American and French Sectors of Berlin) was added to the list of countries to which the transferable account arrangement applies. Payments for exports from India to the Western Zone of Germany are required to be received in sterling from a German or any transferable account or in rupees from the account of a bank in the Western Zone of Germany.

(ii) In September 1951, Japan was included in the soft currency area, the United Kingdom having concluded a new Payments Agreement with Japan. In terms of this Agreement it is no longer necessary to settle trade transactions with Japan through the accounts opened in the name of the Supreme Commander, Allied Powers (SCAP) or any account of the Foreign Exchange Control Board, Tokyo.

(iii) (a) As from January 3, 1952, Libya comprising the provinces of Cyrenaica, Tripolitania and Fezzan has been included in the Scheduled Territories.

(b) Upto December 15, 1951, the exchange quotations for non-sterling currencies in the United Kingdom, both *ready* and *forward*, were fixed by the Bank of England and authorised banks were permitted to operate only on the basis of these fixed rates. The Bank of England withdrew all official quotations for forward exchange with effect from December 17, 1951, and allowed the London foreign exchange market to deal in forward exchange at rates decided by market quotations.

In view of the changes in the United Kingdom Exchange Regulations, authorised dealers in India are now allowed to cover their permitted transactions in the following currencies either *spot* or *forward* with their correspondents or branches in the respective countries.

<i>Currency</i>	<i>Country</i>
U.S. dollars	U.S.A.
Canadian dollars	Canada
Belgian Francs	Belgian Monetary Area
French Francs	French Monetary Area
Swiss Francs	Switzerland or Liechtenstein.

Authorised dealers are also allowed to cover *spot* or *forward* with banks in the U.S.A. or Canada their permitted transactions in either U.S. or Canadian dollars.

101. *Financial Agreement with the United Kingdom.*—The Sterling Balances Agreement entered into in July 1948, which expired on June 30, 1951, has been extended to remain in force till June 30, 1957; the salient features of the present arrangements are as follows :—

(i) A sum of £310 million was transferred from No. 2 to No. 1 Account to be held by the Reserve Bank of India as a currency reserve.

(ii) Transfer from No. 2 to No. 1 Account of a sum not exceeding £35 million will be made in each of the six periods of twelve months beginning July 1, 1951, subject to the following provisions :—

(a) Transfers shall only take place as may be necessary to maintain a minimum balance on No. 1 Account of £340 million or such lesser sum as may be agreed between the two Governments as a result of any consultation which may take place.

(b) Any part of the £35 million transferable in any period of twelve months not transferred during that period shall be carried forward and added to the sums available for transfer, subject to (a) above, during the later periods.

(c) If it should appear to the Government of India that in any particular period of twelve months requirements for sterling from No. 2 Account are likely to exceed £35 million, the transfers due in the next subsequent period may be anticipated to the extent of £5 million, and may be made subject to (a) above without further consultation between the two Governments. If the Government of India consider that anticipation to a greater extent is necessary, the two Governments will consult together with a view to providing for such further anticipation of transfers as may be appropriate.

(d) Any balance standing to the credit of No. 2 Account on June 30, 1957 will be transferred automatically to No. 1 Account.

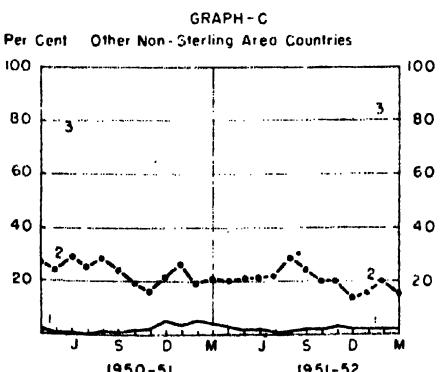
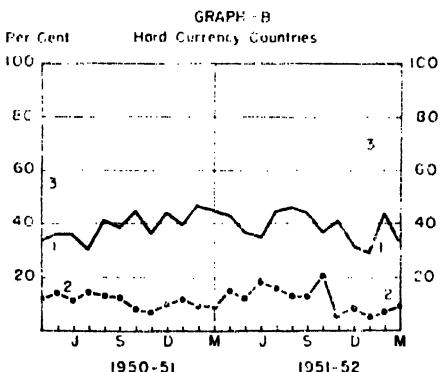
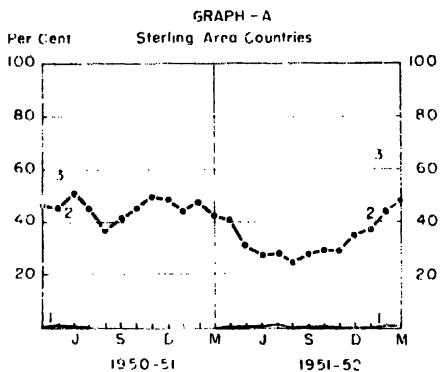
102. *Travel.*—The basic allowance of foreign exchange admissible to residents of India for the purpose of travel to the United Kingdom and other sterling area and soft currency countries for pleasure or personal convenience was raised to £600 per adult and £300 per minor available for a period of two years commencing from January 1, 1951, *plus* allowance for return fares. The basic allowance for travel to Iran, Iraq, Persian Gulf Ports, Saudi Arabia, Ceylon, Burma, Thailand, Malaya, Indo-China, the Republic of Indonesia and Dutch New Guinea was also increased to Rs. 2,000 per adult and Rs. 1,000 per minor once in two years commencing from January 1, 1951.

103. *Pakistan.*—During the year under review, further facilities were extended for remittances to Pakistan. Practically all types of current remittances are now allowed on the same basis as for other countries in the sterling area.

GRAPH 33

METHODS OF EXPORT FINANCE ON PERCENTAGE BASIS

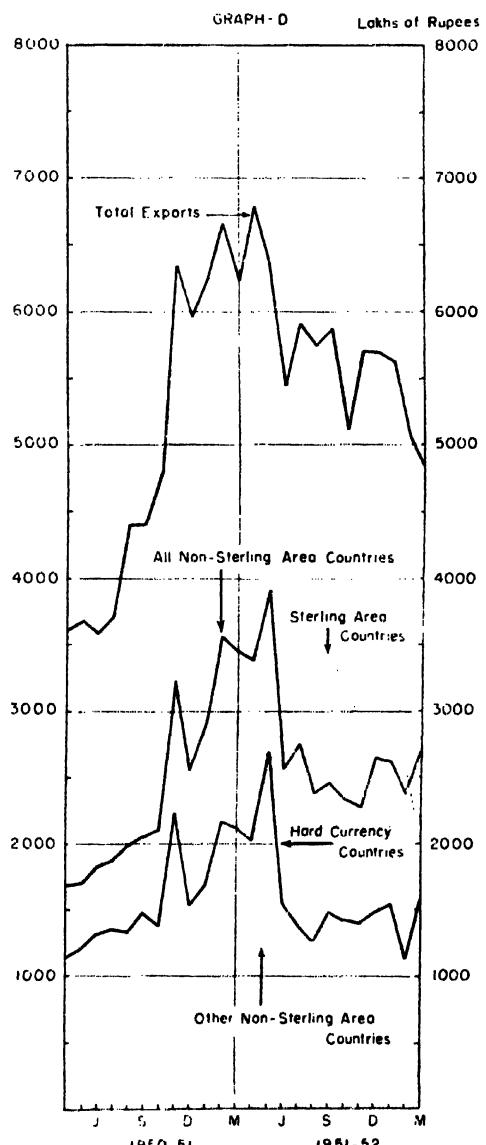
- Method 1 — 1 Bills drawn or remittances received in currency of country of destination
 Method 2—2 Bills drawn or remittances received in rupees
 Method 3 3 Bills drawn in sterling



TOTAL EXPORTS

TO

Sterling Area Countries,
 Hard Currency Countries,
 Other Non-Sterling Area Countries
 and
 All Non-Sterling Area Countries



Remittances of a capital nature are considered on the merits of each application in consultation with the Government of India and the State Bank of Pakistan. A special procedure has been laid down for maintenance remittances by residents in India of Pakistani domicile and by persons domiciled in India who have dependants in Pakistan. The question of a grant of basic allowance for travel to Pakistan has not yet been decided.

104. *Methods of Export Finance*.—Graph 33 (A, B and C) shows the relative importance of the currencies employed in financing India's exports to countries within and outside the sterling area.

These graphs show that there was generally an increasing tendency to finance exports by bills drawn in sterling and that the tendency noticed in the previous year for an increasing proportion of trade being financed in rupees was not maintained.

Graph D on the same page shows the total exports to the countries covered by graphs A, B and C. The total values of exports registered a steep fall in the early months of the period under review and thereafter continued to decline over the balance of the financial year.

IX. MISCELLANEOUS MATTERS RELATING TO NOTES AND COINS

105. *Changes in the Form of India Notes*.—As announced in the *Press Communiques* dated July 19 and October 22, 1951, and January 21, 1952 (*vide Appendix I*), changes were made in the existing design of the Government of India one rupee notes and Bank notes of the denominations of Rs. 2, Rs. 5, Rs. 10 and Rs. 100 bearing the Asoka Pillar. These changes related to (1) the addition of *Hindi* letterings to express the value of notes of all the above-mentioned denominations; (2) the deletion of the name of the circle of issue on the Rs. 100 notes and (3) the inclusion, in the Government of India one rupee notes, of a replica of one rupee coin. The new Bank notes of the denominations of Rs. 10 and Rs. 100 were first issued on August 2, 1951, those of Rs. 2 and Rs. 5 on October 29, 1951 and the Government of India one rupee notes on January 25, 1952.

106. *Purchase and Sale of Pakistan Currency*.—In last year's Report, mention was made of the resumption, as from February 27, 1951, by the Reserve Bank's offices, of the *ready* transactions in Pakistan currency with authorised dealers in India at the buying and selling rates of Pakistan Rs. 69-8-3 and Pakistan Rs. 69-6-6, respectively, for Indian Rs. 100. From April 16, 1951, facilities were also provided for the purchase and sale of Pakistan currency for six months' *forward* delivery, at the buying and selling rates of Pakistan Rs. 69-9-0 and Pakistan Rs. 69-5-9, respectively, for Indian Rs. 100.

107. *Old Notes*.—Section 34 of the Reserve Bank of India Act provides that any currency note or Bank note, which has not been presented for payment within 40 years from its date of issue, shall be deemed to be no longer in circulation. The value of notes written off under this Section during 1951-52 amounted to Rs. 1,09,850. Notes, which had been written off in previous years under this Section, but which were subsequently presented for payment and paid by the Banking Department of the Bank amounted to Rs. 3,100 during the year.

108. Lost, Destroyed and Mutilated Notes.—The Table below gives details of lost or wholly destroyed, half and mutilated notes in respect of which claims were admitted during the year.

	No. of claims admitted	No. of pieces	Amount of claims admitted	Amount paid against claims	
				Rs.	Rs.
Lost or wholly destroyed notes	... ...	558	919	91,800	1,85,300*
Half notes	... ...	1,216	2,174	2,16,370	38,560
Mutilated Notes :					
Registered (Denominations of Rs. 20 to Rs. 100)	6,960**	14,343	14,33,140	12,18,870	
Unregistered (Denominations of Re. 1 to Rs. 10)	53,196**	5,56,536	31,58,021	30,09,627	
Government of India one rupee notes	... ...	28,743**	4,42,872	4,42,872	4,23,532

* Includes amount paid during 1951-52 in respect of claims admitted in previous years.

** Excludes figures for soiled notes in respect of the Bombay circle.

109. Note Forgeries.—The total number of forged notes (including Government of India one rupee notes) received by the Bank during the year was 7,087, as compared with 7,125 in 1950-51. Of these, 4,891 were detected in Calcutta, 1,079 in Kanpur, 598 in Bombay, 289 in Madras and 230 in Delhi. The following Table gives the distribution of note forgeries according to denominations for the last three years.

Year	Re. 1 Govern- ment of India notes					Total	
		Rs. 2	Rs. 5	Rs. 10	Rs. 100	Number	Value Rs.
1949-50	4,464	117	1,703	4,726	35	11,045	63,973
1950-51	2,400	84	1,676	2,783	182	7,125	56,978
1951-52	3,334	35	1,669	1,901	148	7,087	45,559

Denomination-wise, the largest number of forgeries was in respect of Government of India one rupee notes at 3,334 (or 47 per cent of the total, as against 34 per cent last year). Of these, forgeries received in the Calcutta Office numbered 2,831. Forgeries in respect of the Rs. 10 denomination, which constituted the second largest in the total number received, aggregated 1,901 or 27 per cent of the total, as against 39 per cent last year, the largest number 842 being received also by the Calcutta Office.

The following Table gives particulars regarding prosecutions on account of forgeries for the past three years :—

Year	Fresh Prosecu- tions	Pending at the end of the pre- vious year		Total Trials	Dis- charges	Convic- tions	Pending
		Pending at the beginning of the year	New Trials				
1949-50	...	42	34	76	22	10	44
1950-51	...	48	44	92	38	28	26
1951-52	...	36	26	62	19	23	20

110. Alipore Mint.—The India Government Mint, Alipore, Calcutta, which replaced the old Calcutta Mint, was formally opened on March 19, 1952. The new Alipore Mint has a coinage capacity of about 12 lakh pieces of coins per eight-hour shift, as compared with a daily capacity of 10 lakh coins at the Bombay Mint. The India Government Mint at Hyderabad, which since April 1, 1950 has been operating as a branch of the Bombay Mint, has a capacity of 3 lakh coins per day. This gives a combined daily productive capacity of about 2.5 million pieces. This large capacity would enable India not only to meet the demands for domestic coinage, but also to execute coinage orders from foreign countries. The Alipore Mint is equipped with machinery for the processing of pure nickel. It has also been provided with an Assay Department for checking the purity of metals used for coinage and for undertaking research work on coinage alloys. The Mint will also manufacture medals, tokens and certain types of badges in a variety of precious metals and alloys. Further, it is proposed to construct a Silver Refinery at the Mint for extracting silver from quaternary coins withdrawn from circulation.

The new Mint commenced coinage operations in March 1951. During 1951-52, the total domestic coinage at the Mint amounted to 384 lakh pieces, valued at Rs. 61 lakhs.

With the opening of the new Mint at Alipore, the old Calcutta Mint, which had been functioning for the last 127 years, was entirely closed for coinage from July 1951.

111. Coinage.—The amounts of India coins of various denominations minted during 1951-52 at the India Government Mints are shown in the Table below:—

Denomination	Bombay Mint		Alipore Mint		Total	
	Rs.	a.	Rs.	a.	Rs.	a.
Nickel Rupees — — — —						
" Half Rupees 40,28,000 0 5,37,959 8 45,65,959 8						
" Quarter Rupees 81,56,000 0 53,08,000 0 1,34,64,000 0						
Cupro-nickel Two Annas — — — —						
" One Anna — — — —						
" Half Anna — — — —						
Bronze Single Piece 15,90,700 0 2,65,200 0* 18,55,900 0*						
Total 137,74,700 0 61,11,159 8 198,85,859 8						

* Including coins of the value of Rs. 13,000 minted at the old Calcutta Mint.

The issue of quaternary (silver) rupee coin was discontinued from the end of May 1946. The total coinage of nickel rupee coins, which were first minted in April 1947, amounted to Rs. 23.30 crores upto the end of March 1951. During 1951-52, there was no coinage of whole rupees. The total value of small coin minted during the year amounted to Rs. 1.99 crores, as against Rs. 1.12 crores during 1950-51. Statement 94 gives coinage of India rupee coin since 1835, while the description of coins in active circulation as at the end of March 1952 is given in Statement 95.

The India Government Mints also undertook coinage for foreign countries, the number of pieces minted during 1951-52 amounting to 310.72 lakhs, as against 117.68 lakhs during 1950-51.

112. *Withdrawal of Silver Coin.*—All Victoria and King Edward VII standard silver rupee and half rupee coins were demonetised with effect from April 1, 1941 and May 31, 1942, respectively; so also were demonetised King George V and King George VI standard silver rupee and half rupee coins with effect from May 1, 1943. The amounts of rupee coin withdrawn from circulation during the last three years are given below :—

	(Lakhs of Rupees)		
	1949-50	1950-51	1951-52
William IV 1835	...	—	—
Queen Victoria 1840	...	—	—
Queen Victoria 1862 and 1874-76	...	—	0.07
Standard Silver Rupees	...	—	0.01
Other Uncurrent Coin	...	0.21	0.05
Defective Quaternary Rupees	...	0.02	0.05
Total	0.24	0.18	0.19

Standard silver two anna and standard silver four anna pieces are no longer coined or issued, but they continue to be legal tender.

113. *Withdrawal of Cupro-nickel and Copper Coin.*—Eight anna cupro-nickel coins were withdrawn under Section 15A of the Indian Coinage Act, 1908 with effect from October 1, 1924, and have thereafter been receivable at the Issue Offices only. Double pice coins are also being withdrawn from circulation, and are received at the Treasuries and the Issue Offices. The total nominal value of uncurrent and badly worn and defaced coins withdrawn from circulation during the year was as follows :—

	Ra. a. p.
Uncurrent coin	9,330 0 0
{ Cupro-nickel* eight anna	...
| Bronze double pice	368 12 0
{ Nickel rupees	33,373 0 0
{ Cupro-nickel* -/4/-	3,53,037 8 0
{ Nickel-brass and cupro-nickel coin :—	
-/2/- pieces	42,25,469 4 0
-/1/- "	44,45,984 15 0
-/½/- "	8,61,253 8 6
{ Copper and bronze coin :—	
Single pice	8,26,824 7 6
Half pice	106 9 0
Pie pieces	55 3 3
Total	107,55,818 8 8

* Including worn-out pure nickel coins.

114. Counterfeit Coin.—The following Table gives the number of counterfeit coins, by denominations, cut at Treasuries and railway stations during the three years 1949-50 to 1951-52.

	...	...	1949-50		1950-51		1951-52	
			Silver	Nickel	Silver	Nickel	Silver	Nickel
Rupees	...	...	12,825	5,896	9,200	4,429	12,176	6,317
Half Rupees	...	...	9,249	7,447	8,252	12,886	7,248	8,686
Quarter Rupees	...	...	13,524	13,231	13,642	23,073	9,615	13,956
Two Annas	...	...	3	1,35,784	4	1,70,327	16	1,29,644
One Anna	...	...	—	14,452	—	23,820	—	13,420
Half Anna	...	...	—	226	—	1,771	—	967
Total	...	85,601	1,77,086	81,098	2,36,306	29,055	1,72,990	

STATEMENTS

STATEMENT I

INDEX NUMBERS OF WHOLESALE PRICES AND COST OF LIVING IN SELECTED COUNTRIES

(Base : 1948=100)

(Reference Paragraph 2)

Year and Month	UNITED STATES											
	UNITED KINGDOM						UNITED STATES					
	UNION OF SOUTH AFRICA			FRANCE			CANADA			AUSTRALIA		
	P*	C	P	P†	C†	P‡	P	C	P	C	P	C
1938	59	69	53	66	6	6	57	68	46	58	49	59
1939	69	71	61	65	6	7	66	68	47	59	48	58
1940	65	74	56	69	8	8	62	70	62	69	49	58
1941	69	78	60	72	10	9	68	73	70	75	54	61
1942	78	84	63	76	12	10	76	80	73	82	60	69
1943	81	87	66	76	14	13	83	84	74	84	62	72
1944	82	87	67	76	16	17	86	87	76	87	63	73
1945	83	87	68	77	22	23	87	89	77	86	66	76
1946	83	88	72	80	38	39	89	91	80	87	76	81
1947	83	87	72	84	88	58	63	94	95	88	92	93
1948	100	100	100	100	100	100	100	100	100	100	100	100
1949	112	109	103	104	112	109	106	104	105	103	95	99
1950	132	120	109	107	121	121	113	108	120	106	98	100
1951	163	146	124	119	155	140	129	116	146	115	110	108
January	121	121	104	104	117	117	118	108	105	111	105	98
February	"	124	116††	103	105	116	120	108	105	112	105	98
March	"	124	104	108	117	123	123	106	106	112	105	98
April	"	130	104	106	117	120	109	107	114	106	93	98
May	"	129	119††	103	106	117	118	112	108	116	95	99
June	"	131	108	107	116	120	114	109	117	106	95	99
July	"	131	110	108	119	115	108	114	108	119	106	99
August	"	136	120††	112	109	120	119	115	107	120	105	101
September	"	137	115	110	125	124	116	108	116	124	108	103
October	"	139	114	110	127	127	116	110	127	106	103	102
November	"	143	127††	115	110	131	127	117	110	132	105	103
December	"	143	116	110	135	129	119	112	133	107	107	104
January	1951	146	120	111	138	131	120	112	137	108	110	106
February	"	152	132††	123	113	146	132	121	139	109	112	107
March	"	161	125	116	150	134	123	113	143	110	112	107
April	"	158	125	117	158	136	124	114	146	112	111	107
May	"	160	142††	125	117	158	141	128	116	146	115	108
June	"	166	125	119	155	139	130	116	146	116	116	108
July	"	166	126	121	152	138	130	117	146	117	116	108
August	"	173	150††	125	122	160	139	132	116	148	118	108
September	"	171	124	122	154	141	132	117	148	117	119	109
October	"	169	124	123	164	144	132	116	150	119	109	109
November	"	170	158††	124	123	160	149	117	150	119	109	109
December	"	173	123	123	123	170	151	142	121	151	120	110

P = Wholesale Prices. C = Cost of Living. * Home-consumed goods in Melbourne.

† Retail prices (Food in Paris). † Home-consumed goods. ‡ Quarterly Indices.

Source : International Financial Statistics issued by the International Monetary Fund.

§ Home-consumed goods in Paris.

STATEMENT 2

MONEY SUPPLY IN SELECTED COUNTRIES (Reference paragraph 2)

End of	AUSTRALIA			CANADA			FRANCE			ITALY					
	(Millions of Australian Pounds)			(Millions of Canadian Dollars)			(Billions of French Francs)			(Billions of Lire)					
	Currency Money	Deposit Money	Total	Currency Money	Deposit Money	Total	Currency (Gross)	Deposit Money†	Total	Currency Money	Deposit Money†	Total			
1938	... 49	141*	190	238	850	1,098	112	80	192	19	21	40			
1945	... 204	443	648	1,055	2,459	3,514	577	436	1,013	368	290	658			
1948	... 219	660	879	1,184	3,150	4,334	993	1,172	2,165	934	1,044	1,976			
1949	... 240	812	1,052	1,183	3,238	4,491	1,301	1,403	2,704	1,017	1,226	2,948			
1950	... 269	1,034	1,302	1,214	3,638	4,852	1,590	1,530	3,120	1,122	1,373	2,495			
1951	... 315	1,174	1,489	1,275	3,568	4,843	1,883	1,792	3,675	1,268	1,638	2,906			
1951	January	1951	...	248	1,046	1,294	1,151	3,537	4,988	1,575	1,543	3,118	1,041	1,380	2,420
February	"	"	...	254	1,099	1,353	1,169	3,492	4,861	1,591	1,555	3,146	1,029	1,365	2,398
March	"	"	...	270	1,209	1,479	1,213	3,457	4,870	1,607	1,578	3,185	1,057	1,359	2,417
April	"	"	...	263	1,214	1,477	1,198	3,580	4,778	1,630	1,590	3,220	1,042	1,356	2,399
May	"	"	...	267	1,203	1,470	1,202	3,552	4,754	1,632	1,577	3,209	1,037	1,363	2,400
June	"	"	...	272	1,142	1,414	1,256	3,495	4,751	1,689	1,622	3,321	1,061	1,366	2,426
July	"	"	...	274	1,100	1,374	1,225	3,525	4,748	1,742	1,632	3,374	1,091	1,428	2,518
August	"	"	...	278	1,088	1,366	1,262	3,457	4,719	1,767	1,639	3,408	1,090	1,428	2,519
September	"	"	...	279	1,075	1,355	1,275	3,490	4,765	1,819	1,672	3,491	1,127	1,458	2,585
October	"	"	...	282	1,088	1,370	1,256	3,540	4,796	1,828	1,757	3,585	1,132	1,498	2,630
November	"	"	...	286	1,109	1,395	1,296	3,587	4,883	1,795	1,729	3,524	1,145	1,534	2,678
December	"	"	...	315	1,174	1,489	1,275	3,568	4,843	1,883	1,792	3,675	1,268	1,638	2,806

* Average of weekly figures for the last quarter. † Includes figures relating to the Bank of France, other banks, postal cheque system and Treasury agents in the Provinces. ‡ Includes figures relating to the Bank of Italy, other banks and postal savings banks.

STATEMENT 2—(Contd.)

End of	JAPAN (Billions of Yen)			UNION OF SOUTH AFRICA (Millions of South African Pounds)			UNITED KINGDOM (Billions of Pounds Sterling)			UNITED STATES (Billions of U.S. Dollars)		
	Currency	Deposit	Total	Currency	Deposit	Total	Currency	Deposit	Total	Currency	Deposit	Total
1938	...	...	3	5	8	19·7	77·7	97·5	0·46	1·19*	1·84	5·8
1945	...	...	55	38	93	66·9	267·4	334·4	1·34	3·07	4·42	26·5
1948	...	...	338	331	669	66·2	343·3	409·5	1·25	3·87	5·12	26·1
1949	...	...	336	434	770	64·8	301·1	365·9	1·27	3·92	5·19	25·4
1950	...	...	409	511	920	71·7	339·6	411·3	1·29	3·99	5·28	25·4
1951	...	...	492	701	1,193	79·1	336·7	415·8	1·36	3·99	5·36	26·3
January	1951	...	377	525	902	69·0	341·9	410·9	1·26	3·96	5·22	24·6
February	"	...	380	541	921	70·8	336·8	407·6	1·26	3·79	5·06	24·6
March	"	...	377	604	981	74·6	333·1	407·7	1·28	3·76	5·04	24·4
April	"	...	390	582	972	74·2	335·3	409·5	1·28	3·84	5·13	24·6
May	"	...	377	608	984	76·3	335·6	410·9	1·30	3·76	5·06	24·9
June	"	...	388	633	1,021	77·9	329·3	407·2	1·31	3·85	5·16	25·8
July	"	...	388	623	1,011	76·1	325·8	401·9	1·33	3·88	5·20	25·1
August	"	...	393	616	1,009	79·5	321·7	401·2	1·33	3·84	5·16	25·3
September	"	...	394	647	1,041	79·4	315·2	394·6	1·31	3·87	5·18	25·4
October	"	...	402	602	1,003	76·7	326·8	403·5	1·31	3·92	5·23	25·7
November	"	...	408	614	1,032	81·8	328·1	409·9	1·32	3·90	5·22	25·8
December	"	...	492	701	1,193	79·1	336·7	415·8	1·36	3·99	5·36	26·3

* Annual data represent December averages; monthly data are averages of weekly figures.

^a Average of weekly figures in December.

Source : International Financial Statistics issued by the International Monetary Fund.

STATEMENT 3

MONEY MARKET RATES IN SELECTED COUNTRIES

(Per cent per annum)

(Reference paragraph 3)

Countries	Average of months												1951						Period of Currency
	1945	1946	1947	1948	1949	1950	1951	Jan.	Feb.	Mar.	April	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.
Australia ... B1 1.04 1.00 1.00 0.93 0.75 0.75 0.75 0.75 0.75 0.75 0.75 0.75 0.75 0.75 0.75 0.75 0.75 0.75 0.75 3 months																			
Belgium ... B1 1.56 1.31 1.31 1.31 1.31 1.31 1.31 1.31 1.31 1.31 1.31 1.31 1.31 1.31 1.31 1.31 1.31 1.31 1.31 4 months																			
Canada ... B1 0.36 0.38 0.41 0.41 0.48 0.55 0.50 0.63 0.73 0.76 0.76 0.76 0.76 0.76 0.76 0.76 0.76 0.76 0.76 3 months																			
France ... { B1 1.50 1.50 1.70 2.00 2.00 2.00 2.17 2.00 2.00 2.00 2.00 2.00 2.00 2.00 2.00 2.00 2.00 2.00 2.00 2.00 3 months																			
{ C* 1.33 1.19 2.04 2.00 2.55 2.41 3.50 2.45 2.42 2.45 2.60 2.61 2.52 2.57 2.64 2.56 2.56 2.56 2.56 2.56 3 months																			
Indian Union ... { B1 0.39 0.43 0.44 0.49 0.52 0.50 0.50 0.63 0.50 0.50 0.50 0.50 0.50 0.50 0.50 0.50 0.50 0.50 0.50 0.50 3 months																			
{ D* 0.25 0.50 0.50 0.63 0.50 0.50 0.50 0.50 0.50 0.50 0.50 0.50 0.50 0.50 0.50 0.50 0.50 0.50 0.50 0.50 3 months																			
Italy* ... B1 3.25 3.39 3.75 3.41 3.25 3.25 3.25 3.25 3.25 3.25 3.25 3.25 3.25 3.25 3.25 3.25 3.25 3.25 3.25 3.25 3-4 months																			
Japan ... G2* ... 1.00 1.20 1.60 1.85 1.95 1.95 1.95 1.90 1.95 1.95 1.95 1.95 1.95 1.95 1.95 1.95 1.95 1.95 1.95 1.95 1.95																			
Netherlands ... { B1 1.71 1.20 1.35 1.30 1.27 1.40 1.36 1.31 1.55 1.50 1.55 1.50 1.50 1.50 1.50 1.50 1.50 1.50 1.50 1.50 3 months																			
{ C* ... 0.78 0.53 0.96 1.03 1.09 1.00 0.83 1.00 1.23 1.24 1.24 1.24 1.24 1.24 1.24 1.24 1.24 1.24 1.24 1.24 3 months																			
Switzerland ... B* 1.25 1.25 1.38 1.63 1.50 1.50 1.50 1.50 1.50 1.50 1.50 1.50 1.50 1.50 1.50 1.50 1.50 1.50 1.50 1.50 1.50																			
Union of South Africa ... B1 0.74 0.63 0.63 0.64 0.80 1.00 1.00 1.00 1.00 1.00 1.00 1.00 1.00 1.00 1.00 1.00 1.00 1.00 1.00 1.00 6 months																			
United Kingdom { B1 0.88 0.51 0.51 0.51 0.52 0.51 0.58 0.58 0.51 0.51 0.51 0.51 0.51 0.51 0.51 0.51 0.51 0.51 0.51 0.51 0.51																			
{ A* 0.53 0.53 0.53 0.53 0.56 0.69 0.69 0.69 0.69 0.69 0.69 0.69 0.69 0.69 0.69 0.69 0.69 0.69 0.69 0.69 0.69 0.69																			
{ C* 0.63																			
United States of America ... { B1 0.38 0.38 0.60 1.04 1.10 1.22 1.55 1.39 1.39 1.42 1.42 1.42 1.42 1.42 1.42 1.42 1.42 1.42 1.42 1.42 1.42																			
{ A1 2.2 2.1 2.1 2.5 2.7 3.1 3.1 1.96 1.96 2.06 2.13 2.17 2.17 2.17 2.17 2.17 2.17 2.17 2.17 2.17 2.17 2.17																			
{ C1 0.75 0.81 1.03 1.44 1.48 1.45 2.17 1.86 1.86 2.06 2.13 2.17 2.31 2.31 2.31 2.31 2.31 2.31 2.31 2.31 2.31 2.31																			

A Bankers' acceptances.

A1 Average rates charged on short-term loans to business in 19 cities.

B Private discount rate.

B1 Treasury bill rate.

C Day-to-day money.

C1 Commercial paper rate in New York City.

C2 Average call money rate in Tokyo.

D Call money rate in Bombay quoted by larger scheduled banks.

*Annual figures are for December of each year.
 Sources : Monthly Bulletin of Statistics of the United Nations ; Federal Reserve Bulletin ; Financial Statistics Monthly, Bank of Japan and Reserve Bank of India Bulletin.

STATEMENT 4

LIABILITIES AND ASSETS OF COMMERCIAL BANKS IN SELECTED COUNTRIES (Reference paragraph 3)

COUNTRIES	End of	Deposits	Cash Balances	Percentage of 3 to 2	Investments	Percentage of 3 to 2	(Millions of National Currency)		
							6	7	8
Australia (\$A) (Major Private Banks)*	1945	606	42	6.93	183	20.20	209	34.49	
	1950	1,134	62	5.47	21	10.67	491	43.30	
	1951	1,242	69	5.56	98	7.89	625	50.32	
Burma (Rs.) (Commercial Banks)	1949	228	100	43.86	..	..	58	25.44	
	1950	252	55	23.71	..	..	130	56.03	
	1951	253	48	18.97	..	..	159	62.85	
Canada (\$ C) (Chartered Banks)	1945	6,884	684	9.94	4,038	58.66	1,796	26.09	
	1950	8,867	810	9.14	4,286	48.34	3,267	36.73	
	1951	9,003	892	9.91	3,376	43.05	3,544	39.36	
Indian Union (Rs.) (Scheduled Banks)	1947	9,651	1,369	14.19	5,000†	51.81	4,050	41.96	
	1950	8,822	946	10.72	3,812	43.21	4,452	50.46	
	1951	8,893	895	10.30	3,281	37.74	5,545	63.79	
Japan (Yen) (11 Big Banks and Local Banks)	1949	7,47,411†	109,386**	14.64	98,431	13.17	57,971	77.56	
	1950	97,047†	140,941**	14.40	123,990	12.63	82,610†	84.28	
	1951	1,395,954†	1,58,500**	11.23	160,162	11.47	1,246,252	89.27	
New Zealand (\$ NZ) (Trading Banks)	1945	141	67	47.52	30	91.26	53	37.59	
	1950	226	70	30.97	13	5.75	109	48.23	
	1951	262	71	27.10	13	4.96	154	68.78	
Pakistan (Rs.) (Scheduled Banks)	1949	1,109	250	32.54	..	..	445	40.13	
	1950	1,180	143	12.12	..	..	770	65.26	
	1951	1,489	210	14.01	..	..	919	61.31	
Union of South Africa (\$ SA) (Commercial Banks)	1945	321	183	60.19	82	25.55	47	14.64	
	1950	372	96	25.81	140	37.63	138	37.10	
	1951	379	59	15.57	122	32.49	20.5	34.09	
United Kingdom (\$) (London Clearing Banks)	1945	4,850	726	14.97	3,126††	64.45	1,067§	22.00	
	1950	6,368	808	12.69	3,392††	53.27	2,236§	35.11	
	1951	6,333	828	13.07	2,858§§	45.13	2,710§	42.79	
United States of America (\$) (All Commercial Banks)	1945	150,327	34,806	23.17	97,936	65.19	26,083	17.36	
	1950	155,265	40,289	25.95	74,426	47.93	52,249	33.65	
	1951†	160,780	41,240	25.63	73,070	46.69	58,300	36.26	

* Average of weekly figures in December.
** Cash, bills and cheques.
† Estimated.
‡ Including Treasury bills and TDRs.
§ Preliminary.
\$ Including money at call and short notice.

Local Government deposits but excluding blocked deposits.

STATEMENT 5

INDEX NUMBERS OF MARKET VALUE OF INDUSTRIAL SHARES

(Base : 1948=100)

(Reference paragraph 4)

Currencies	Average of Months										1951						<i>Percentage increase (+) or decrease (-) of Dec. 1951 over Dec. 1950</i>						
	1938	1945	1946	1947	1948	1949	1950	1951	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.			
Argentina	14	39	55	83	100	98	73	71	75	77	76	74	71	68	65	66	72	71	72	71	- 5.3		
Australia	58	69	79	92	100	96	114	137	136	136	138	143	148	147	140	133	129	125	119	— 9.2			
Belgium	62	180	175	118	100	103	111	130	121	121	123	120	120	128	132	139	139	140	133	+ 40.4			
Canada	88	87	101	93	100	96	119	160	144	157	154	158	157	153	155	163	173	177	167	168	+ 24.4		
Denmark	74	98	99	100	100	92	109	162	106	108	108	107	107	107	101	99	98	99	97	97	- 8.5		
Finland	43	171	148	122	100	94	168	227	226	240	266	251	222	227	214	223	224	212	201	217	+ 11.3		
France	73	59	77	96	100	91	89	112	92	101	103	104	104	108	107	110	119	126	128	124	129	+ 55.4	
India	63	140	187	139	100	76	78	88	87	87	89	94	96	96	89	86	86	85	83	81	- 2.4		
Italy	64	39	93	88	100	125	123	137	133	139	141	131	132	130	134	130	140	139	143	142	+ 12.7		
Japan	..	36	40	84	176	100	121	106	119	124	113	114	119	115	122	129	136	129	128	+ 23.1			
Mexico	31	125	128	106	100	120	153	221	191	207	214	215	220	224	226	226	228	241	233	227	+ 32.0		
New Zealand	70	90	96	101	100	96	105	110	115	113	113	112	112	110	110	109	107	102	99	- 11.6			
Norway	64	98	94	91	100	97	105	116	118	120	121	119	117	114	114	115	114	115	114	113	- 2.6		
Sweden	73	102	108	113	100	100	117	155	142	147	147	149	153	152	165	163	169	168	158	160	+ 20.3		
Switzerland	84	83	98	105	109	91	98	117	110	112	115	118	117	118	116	119	121	123	120	120	+ 15.4		
Union of South Africa	40	71	87	98	100	77	72	78	75	79	80	81	81	80	78	79	78	76	74	- 5.1			
United Kingdom	70	98	109	111	100	89	90	104	96	98	97	106	109	110	103	107	109	112	101	99	+ 6.4		
United States of America	69	94	110	98	100	98	120	147	140	145	141	143	145	143	144	152	157	155	148	152	+ 16.0		

Source : International Financial Statistics issued by the International Monetary Fund.

STATEMENT 6

ANNUAL REVENUE, EXPENDITURE, NATIONAL INCOME AND DEBT OF THE COMMON-WEALTH COUNTRIES, U.S.A. AND U.S.S.R.

(Reference paragraph 5)

Countries	Year	Total Revenue	Taxes on Income	Percent- age of $\frac{1}{2}$ to $\frac{1}{3}$	Total Expen- diture	Expen- diture	Defence Expen- diture	Percent- age of $\frac{1}{6}$ to $\frac{1}{3}$	Surplus (+) or Deficit (-)	National Income	Percent- age of $\frac{1}{2}$ to $\frac{1}{3}$	Floating or Short- term Debt	Public Debt (year-end figures)
		1	2	3	4	5	6	7	8	9	10	11	12
July-June													
Australia (Millions of Australian Pounds)	1938-39	95	12	12	94	34	36	1	153	814	12	59	1,216*
1945-46	355	181	51	508	398+	75	75	1	1,303	1,303	27	440	2,715*
1946-47	373	168	45	411	265+	62	38	1	1,376	1,376	27	400	2,767*
1947-48	412	188	46	411	202+	49	1	1	1,761	1,761	23	360	2,780*
1948-49	481	219	46	451	218+	45	—	—	1,955	1,955	26	306	2,826*
1949-50	504	217	43	529	175+	35	25	—	2,265	2,265	22	310	2,909*
1950-51	708	53	708	278+	39	—	—	—	2,302	2,302	31	397	3,060*
1951-52 (Budget) §	955	487*	51	840	289+	34	115	3,101	3,101	3,101	37	..	..
Since 1945-46 revenue, expenditure and taxes on income exclude grants to States for reimbursements under the State Grants (Tax Reimbursement) Acts 1942 and 1946. † Including postwar charges. Excluding War (1914-18) Debt of £A 78,724,320 due to the British Government. ‡ Including £A 110 million in respect of wool deduction. * Including £A 11.5 million carry-over payments from 1950-51 season in respect of wool deduction. § Includes effect of budget proposals.													
April-March													
Canada (Millions of Canadian Dollars)	1928-29	502	142	28	553	34	6	—	51	4,018*	12	..	3,711
1945-46	3,008	1,432	45	5,136	4,003	78	2,123	—	9,840*	9,840*	37	..	18,960
1946-47	3,008	1,412	47	2,634	1,315	50	—	374	9,821*	9,821*	37	..	17,898
1947-48	2,872	1,287	45	2,196	634	29	—	676	10,985*	26	469	17,197	
1948-49	2,771	1,343	48	2,176	426	20	—	535	12,560*	22	451	16,950	
1949-50	2,580	1,271	49	2,449	469	19	—	131	13,194*	20	506	16,751	
1950-51	3,113	1,523	49	2,902	782	27	—	211	14,555*	21	486	16,923	
1951-52 (Revised)	4,003	2,172	54	3,647	1,441	49	—	356	17,229*	25	17,157	..	
1952-53 (Budget) †	4,279	2,557	60	4,279	2,106	49	—	9	..	..	..	..	..
Column 6 represents up to 1949-50 total demobilisation and reconversion expenditure including national defence and from 1950-51 national defence and defence production. *Excluding data for Newfoundland. †Including effect of budget proposals.													
October-September													
Ceylon (Millions of Rupees)	1938-39	117	21	LN	127	—	4	—	10	..	..	..	10
1945-46	461	96	20	313	6	2	4	70	..	..	..	..	448
1946-47	341	62	17	405	6	1	—	56	..	..	..	..	409
1947-48	576	75	13	622	3	—	—	81	2,762	20	24	517	
1948-49	623	118	19	545	4	1	—	28	2,967	19	16	566	
1949-50	794	142	18	563	5	1	—	60	3,601	78	79	640	
1950-51*	896	23	886	—	—	—	—	90	..	30	30	737	
1951-52* (Budget)	966	202	23	..	..	..	..	10	..	..	..	..	..

Note.—Figures do not include those in respect of Railway and Electrical Departments and the loss on railway working.

Column 3 comprises income-tax, estate duty, stamps, excess profits tax, etc.

*Estimated. †Supplementary estimates passed up to May 31, 1951—Rs. 143 million.

India (Crores of Rupees)	April-March		April-March		April-March		April-March		April-March		
	1938-39	1945-46	1946-47	1947-48 (Revised)*	1948-49†	1949-50†	1950-51†	1951-52 (Revised)	1952-53 (Budget)	1938-39	1945-46
	84	16	19	85	46	47	47	47	46	1,179	1,179
	361	150	42	484	360	360	360	360	360	1,976	1,976
	343	131	38	343	207	207	207	207	207	2,158	2,158
	179	85	47	185	87	87	87	87	87	2,170	2,170
	372	140	38	321	146	146	146	146	146	2,405	2,405
	350	115	33	317	149	149	149	149	149	2,505	2,505
	410	126	30	351	164	164	164	164	164	2,568	2,568
	498	121	24	405	181	181	181	181	181	2,632	2,632
	405	104	26	401	198	198	198	198	198	..	..
	Column 3 excludes States' share of income-tax.	Column 12 : for details see Statement 73.	Column 12 : for details see Statement 73.	Column 12 : for details see Statement 73.	Column 12 : for details see Statement 73.	Column 12 : for details see Statement 73.	Column 12 : for details see Statement 73.	Column 12 : for details see Statement 73.	Column 12 : for details see Statement 73.	Column 12 : for details see Statement 73.	Column 12 : for details see Statement 73.
	March 31, 1948. † Accounts not finalised.	March 31, 1948. † Accounts not finalised.	March 31, 1948. † Accounts not finalised.	March 31, 1948. † Accounts not finalised.	March 31, 1948. † Accounts not finalised.	March 31, 1948. † Accounts not finalised.	March 31, 1948. † Accounts not finalised.	March 31, 1948. † Accounts not finalised.	March 31, 1948. † Accounts not finalised.	March 31, 1948. † Accounts not finalised.	March 31, 1948. † Accounts not finalised.
New Zealand* (Millions of New Zealand Pounds)	37	9	24	36	57	57	57	57	194	19	19
	59	26	44	59	104	104	104	104	104	17	17
	108	32	30	115	7	7	7	7	350	55	55
	117	37	32	115	9	8	8	8	365	55	55
	122	49	40	119	9	8	8	8	411	28	28
	125	48	38	121	10	8	8	8	419	29	29
	144	39	41	136	14	10	10	10	483	26	26
	167	76	46	180	25	10	10	10	70	70	644
	1851-52 (Budget)	*	Revenue and expenditure figures relate to Consolidated Fund.	1851-52 (Budget)	167	76	46	180	25	578**	25
	*	Revenue and expenditure figures relate to Consolidated Fund.	*	Revenue and expenditure figures relate to Consolidated Fund.	*	Revenue and expenditure figures relate to Consolidated Fund.	*	Revenue and expenditure figures relate to Consolidated Fund.	*	Revenue and expenditure figures relate to Consolidated Fund.	*
Pakistan (Crores of Rupees)	20	3	16	24	15	15	15	15	194	19	19
	67	7	10	65	46	46	46	46	350	17	17
	89	12	13	85	62	62	62	62	365	55	55
	128	13	10	125**	66	66	66	66	411	28	28
	141	17	12	140**	72	72	72	72	419	29	29
	127	13	10	125**	68	68	68	68	483	26	26
	1851-52 (Revised)	*	From August 15, 1947 to March 31, 1948.	1851-52 (Revised)	127	13	10	180	25	578**	25
	1952-53 (Budget)†	*	From August 15, 1947 to March 31, 1948.	1952-53 (Budget)†	127	13	10	180	25	578**	25
Union of South Africa (Millions of South African Pounds)	47	17	36	65	2	2	2	2	194	13	13
	134	68	51	131	83	83	83	83	365	13	13
	139	60	57	132	18	18	18	18	474	20	20
	128	59	46	122	13	13	13	13	7	52	52
	143	59	41	136	..	..	..	..	6	595	595
	146	70	48	147	..	..	..	..	6	609	609
	161	77	48	156	..	..	..	..	7	659	659
	197	95	48	183	..	..	..	..	1	735	735
	207*	92	44	206	..	..	..	..	1	776	776
	*	Including effect of budget proposals.	*	Including effect of budget proposals.	*	Including effect of budget proposals.	*	Including effect of budget proposals.	*	Including effect of budget proposals.	*

COUNTRIES	YEAR	Total Revenue		Taxes on Income		Percent- age of 3 to 2		Total Expen- diture		Defence Expen- diture		Percent- age of 6 to 5		Surplus or Deficit (-)		National Income		Percent- age of 2 to 9		Floating or Short- term Debt		Public Debt (year-end figures)	
		1	2	3	4	5	6	7	8	9	10	11	12	9	10	11	12	13	14	15	16		
April-March																							
United Kingdom (Millions of Pounds Sterling)	1938-39	927	420	45	940	272	29	—	13	4,716	20	920	8,163										
1945-46	3,284	1,897	58	5,484	4,410	81	—	2,200	8,840	37	6,487	23,836											
1946-47	3,341	1,599	48	3,910	1,653	42	—	569	5,411	40	6,955	25,631											
1947-48	3,845	1,570	47	3,209	564	37	—	9,226	9,226	42	6,542	25,621											
(3,401)	(3,401)				(3,063)			(+ 386)															
1948-49	4,007	1,744	44	3,176	753	24	—	831	9,886	40	5,897	25,168											
(3,797)	(3,797)				(3,113)			(+ 684)															
1949-50	3,924	1,850	47	3,375	741	22	—	549	10,571	37	5,715	25,802											
(3,815)	(3,815)				(3,297)			(+ 518)															
1950-51	3,878	1,793	45	3,257	777	24	—	721	11,089	36	5,740	25,922											
1951-52	4,433	2,114	48	4,054	1,110	37	—	379	11,532	41	4,570	25,860											
1952-53 (Budget)*	4,778	2,563	54	4,240	1,377	32	—	388	..	..	..	..							
(4,767)	(4,767)				(4,080)			(+ 687)															
July-June																							
United States of America (Millions of Dollars)	1938-39	5,103	2,189	43	8,966	1,206	13	—	3,862	67,375	8	1,308	40,440										
1945-46	40,027	30,885	77	60,703	48,870	81	—	20,676	182,891	22	51,843	269,422											
1946-47	40,043	29,806	74	39,289	16,812	43	+	754	180,390	22	41,071	258,286											
1947-48	42,211	31,171	74	33,791	11,501	34	+	8,419	198,700	21	36,345	252,292											
1948-49	38,246	29,482	77	40,057	12,158	30	—	8,811	223,500	17	40,963	252,770											
1949-50	37,045	28,263	76	40,167	12,346	31	—	3,222	216,700	17	31,951	257,357											
1950-51	48,143	37,753	78	44,633	19,964	45	—	3,510	239,000	20	23,123	255,222											
1951-52 (Revised)	62,680	52,224	83	70,881	39,918	56	—	8,201	276,000	23	..	260,222											
1952-53 (Budget)	70,998	60,035	85	85,444	51,228	60	—	14,446	..	..	..	..							
January-December																							
U.S.S.R. (Billions of Rubles)	1938	128	..	..	..	124	23	19	..	..	..	..	..					
1945	302	..	..	..	298	128	43	..	..	..	..	..	..				
1946	325	..	..	..	308	73	24	..	..	..	..	..	..				
1947	386	..	..	..	361	66	18	..	..	..	..	..	..				
1948	408	..	..	..	369	66	18	..	..	..	..	..	..				
1949	437	..	..	..	412	79	19	..	..	..	..	..	..				
1950	422	..	..	..	413	83	20	..	..	..	..	..	..				
1951	468	..	..	..	441	96	22	..	..	..	..	..	..				
1952	509	..	..	..	477	114	24	..	..	..	..	..	..				

Figures in brackets are according to the alternative classification adopted since 1947-48. Other figures are according to the conventional form of accounts. *On the basis of existing taxation.

STATEMENT 7

WORLD GOLD PRODUCTION

(Reference Paragraph 7)

Countries	1939	1940	1943	1944	1945	1946	1947	1948	1949	1950	1951	(Thousands of fine ounces)	
												Percentage increase (+) or decrease (-) of 1951 over 1950	Percentage increase (+) or decrease (-) of 1951 over 1950
I. British Commonwealth	22,471	24,054	19,084	17,508	17,226	17,196	16,863	17,785	18,507	18,759*	18,528*	- 1.2	
(a) Australia	1,646	1,644	751	657	824	891	893	861	875	875	875	+ 1.6	
(b) Canada	5,004	5,311	3,651	2,923	2,697	2,828	3,070	3,530	4,124	4,441	4,330	- 2.5	
(c) Gold Coast	782	886	667	523	639	586	558	672	677	689	699	+ 1.5	
(d) Indian Union	317	289	252	188	168	132	172	180	184	197	226	+ 14.7	
(e) New Zealand	179	186	149	142	128	119	112	94	85	85*	85*	-	
(f) Southern Rhodesia	796	826	657	593	568	545	523	514	528	511	485	- 5.1	
(g) Union of South Africa	... 12,822	14,047	12,804	12,280	12,226	11,927	11,200	11,585	11,705	11,664	11,617	- 1.3	
(h) Others	836	865	253	202	244	235	290	319	331	311	311	-	
II. Latin American Countries													
(a) Brazil	253	264	160	178	212	175	167	157	183	180*	180*	-	
(b) Chile	325	343	174	204	180	231	169	164	179	186	175*	- 5.9	
(c) Columbia	570	632	566	554	507	437	383	335	359	379	455*	+ 14.8	
(d) Mexico	842	883	632	509	499	421	465	368	406	405*	400*	- 1.2	
(e) Peru	267	281	197	175	173	158	116	111	138	135*	135*	-	
III. United States of America	... 4,621	4,863	1,381	1,022	915	1,462	2,165	2,025	1,922	2,375	2,000	- 15.3	
IV. All Countries†	... 39,038	40,702	26,894	24,305	23,161	23,509	23,871	24,733	25,748	28,400	25,700	- 2.7	
British Commonwealth : Percentage	... 57.6	58.9	71.6	72.0	74.4	73.1	70.6	71.9	71.1	72.1	72.1	+ 1.4	
Union of South Africa : Percentage	... 32.8	34.4	48.0	50.5	52.8	50.7	46.9	47.8	44.2	44.8	44.8	+ 1.4	

* Estimated or provisional figures. † Including Russian production placed nominally at 2 million ounces.

Source : Union Corporation Limited, South Africa.

STATEMENT 8

Prices (Monthly) of Silver in London and New York, 1951 (Reference Paragraph 8)

1951	Price in London*						Market Price in New York† (Cents per ounce)					
	Spot			Two Months' Forward			Spot			Highest §		
	Highest §	Lowest §	Average**	Highest §	Lowest §	Average**	Highest §	Lowest §	Average**	Highest §	Lowest §	Average**
January	... 78½	70	76½	78½	70	76½	90·16	80·00	88·71			
February	... 78½	78½	78½	78½	78½	78½	90·16	90·16	90·16			
March	... 78½	78½	78½	78½	78½	78½	90·16	90·16	90·16			
April	... 78½	78½	78½	78½	78½	78½	90·16	90·16	90·16			
May	... 78½	78½	78½	78½	78½	78½	90·16	90·16	90·16			
June	... 78½	76½	77½	78½	76	76½	90·16	87·75	88·44			
July	... 78½	78½	78½	78½	78½	78½	90·16	90·16	90·16			
August	... 78½	78½	78½	78½	78½	78½	90·16	90·16	90·16			
September	... 78½	78½	78½	78½	78½	78½	90·16	90·16	90·16			
October	... 78½	74	77½	78½	74	77½	90·16	84·75	88·13			
November	... 77	77	77	77	77	77	88·00	88·00	88·00			
December	... 77	77	77	77	77	77	88·00	88·00	88·00			
1951	... 78½	70	77½	78½	70	77½	90·16	80·00	89·37			

* United Kingdom Treasury's price of silver for essential purposes. † Price of foreign silver in New York. § Figures relate to closing prices.
** Average of closing quotations on working days.

STATEMENT 9(A)
WORLD SILVER PRODUCTION §
(Reference paragraph 8)

(Millions of ounces)

Countries	1939	1940	1943	1944	1945	1946	1947	1948	1949	1950	1951	Percentage increase (+) or decrease (-) of 1951 over 1950
United States of America	63.9	68.3	44.8	37.4	29.3	21.4	36.1	34.6	42.1	40.0	—	5.0
Mexico	75.9	82.6	71.2	63.0	61.1	48.3	49.2	45.8	49.5	49.1	41.0	—
Canada	24.5	25.3	18.6	14.8	14.0	13.6	13.5	17.0	17.6	22.4	23.0	+ 2.7
Other Central and South American Countries	...	...	...	...	...	...	...	...	...	...	...	...
Total Western Hemisphere	200.6	211.0	168.9	144.9	131.8	109.4	122.4	131.9	125.6	140.6	130.7	—
Outside the Western Hemisphere	65.3	61.6	30.0*	28.0*	19.0*	21.0*	21.0*	23.0*	23.0*	24.5*	24.5*	—
India†	0.023	0.023	0.019	0.014	0.014	0.014	0.010	0.012	0.013	0.016	0.017**	+ 6.3
World Production §	285.9	272.5	198.9*	172.9*	150.8*	130.4*	143.4*	144.9*	148.6*	155.2*	155.2*	—

§ Estimated. * Partial. †Excluding Burma figures. **Provisional.

STATEMENT 9(B)

CONSUMPTION OF SILVER IN ARTS AND INDUSTRY IN PRINCIPAL COUNTRIES

(Reference paragraph 8)

(Millions of ounces)

Countries	1944	1945	1946	1947	1948	1949	1950	1951	Percentage increase (+) or decrease (-) of 1951 over 1950
United States of America	125.0	140.0	105.0	100.0	110.0	90.0	120.0	110.0	— 8.3
United Kingdom	16.0	15.5	15.8	16.5	14.0	11.5	12.2	16.5	+ 35.2
Mexico	6.5	10.5	5.0	1.0	0.8	1.5	2.5	2.0	— 20.0
Canada	5.0	6.0	6.5	3.8	4.5	5.2	4.6	— 11.5	—
Germany	...	...	...	...	...	...	...	...	...
Total	162.5*	172.0*	132.3*	121.3*	129.3*	108.2*	149.5	144.6	— 3.3

* Excluding Germany.

STATEMENT 10

IBRD Loans During the Year Ended March 31, 1952 (Reference paragraph 9)

Borrower	Amount	Date of Agreement	Purpose	Terms of the Loan
	(Millions of U.S. Dollars)			
1. Belgian Congo (guaranteed by the King- dom of Bel- gium)	40.0 (may be disbursed partly in Swiss francs)	September 1951	For the Ten-Year Development Plan of the Belgian Congo.	The loans will bear 4½ per cent interest and is for a term of 25 years. Repayment of the loans will begin from March 15, 1957.
2. Belgium	30.0 (may be disbursed partly in Swiss francs)	September 1951	To meet gold or dollar impact of the Belgian Congo Development Plan on the Belgian economy.	
3. Chile	1.3	October 1951	For the exploration and use of underground water resources of the Rio Elqui Valley in Chile.	The loan will bear 4½ per cent interest and is for a term of 10 years. Repayment will begin from April 1, 1955.
4. Colombia	(a) 16.5	April 1951	For highway construction and re- habilitation.	The loan will bear 3½ per cent interest and is for a term of 10 years. Repayment will begin from November 15, 1954.
	(b) 2.4	November 1951	For electric power development.	The loan will bear 4½ per cent interest and is for a term of 20 years. Repayment will begin from January 1, 1954.
5. Iceland	(a) 2.5 (made in European currencies)	June 1951	For the expansion of electric power capacity in Iceland.	The loan will bear 4½ per cent interest and is for a term of 22 years. Repayment of the loan will begin from June 1, 1956.
	(b) 1.0 (made in European currencies)	November 1951	To increase agricultural production.	The loan will bear 4½ per cent interest and is for a term of 22 years. Repayment of the loan will begin from December 1, 1956.
6. Italy	10.0	October 1951	To aid in the development of South- ern Italy.	The loan will bear 4½ per cent interest and is for a term of 25 years. Repayment of the loan will begin from November 1, 1958.

7.	K.L.M. Royal Dutch Airlines (guaranteed by the Government of Netherlands)	7.0	March 1952	To help finance a programme to replace part of its air fleet.	The loan will bear 4½ per cent interest and is for a term of 6½ years. Repayment of the loan will begin from January 1, 1954.
8.	Mexico	29.7	January 1952	To carry out seven major projects in the 1952-56 construction programme of Mexico's Federal Electricity Commission.	The loan will bear 4½ per cent interest and is for a term of 25 years. Repayment of the loan will begin in 1985.
9.	Nicaragua	(a) 3.5	June 1951	For the purchase of equipment for highway construction.	The loan will bear 4 per cent interest and is for a term of 10 years. Repayment of the loan will begin from March 15, 1954.
		(b) 1.2	June 1951	For the purchase of agricultural machinery.	The loan will bear 4½ per cent interest and is for a term of 7 years. Repayment of the loan will begin from March 15, 1954.
		(c) 0.6	October 1951	For the construction of a plant for drying and storing grain.	The loan will bear 4½ per cent interest and is for a term of 10 years. Repayment of the loan will begin from September 15, 1954.
10.	Pakistan	27.2 (In U.S. dollars & French Francs)	March 1952	For the rehabilitation, improvement and modernization of railways.	The loan will bear 4½ per cent interest and is for a term of 15 years. Repayment of the loan will begin from August 15, 1954.
11.	Paraguay	5.0	December 1951	To increase Paraguay's agricultural production.	The loan will bear 4½ per cent interest and is for a term of 9 years. Repayment of the loan will begin from May 1, 1954.
12.	Peru	2.5	January 1952	To improve the port of Callao, an important port of Peru.	The loan will bear 4½ per cent interest and is for a term of 15 years. Repayment of the loan will begin from January 1, 1954.
13.	Southern Rhodesia (guaranteed by the Government of the U.K.)	28.0	February 1952	To finance the import of equipment needed for the expansion of electric power production and distribution.	The loan will bear 4½ per cent interest and is for a term of 15 years. Repayment of the loan will begin from November 1, 1954.
14.	Yugoslavia	28.0 (expected to be entirely in European currencies)	October 1951	To provide equipment for productive undertakings in the basic fields of the economy of the country.	The loan will bear 4½ per cent interest and is for a term of 25 years. Repayment of the loan will begin from April 15, 1955.
Total		286.4			

STATEMENT II

SELECTED ECONOMIC INDICATORS (QUARTERLY)—INDIAN UNION

(Reference paragraph 10)

Items	Unit/Base	1949-50				1950-51				1951-52				
		I	II	III	IV	I	II	III	IV	I	II	III	IV	
I. Production and Prices (Quarter-end figures)														
<i>A.—Indices of Industrial Production</i>														
1. All Industries ...	1946=100	105.8	105.2	115.5	106.7	108.1	100.3	113.2	111.6	116.7	118.5	128.0	124.9	
<i>B.—Price Indices</i>														
2. Wholesale Prices Year ended August 1939=100	377.3	388.3	379.0	390.8	397.1	413.8	412.7	449.6	452.1	436.9	432.2	378.2		
3. Cost of Living (Bombay) August 1939=100	286	291	293	288	297	308	295	316	321	310	315	298		
4. Government and Semi-Government Securities 1938=100	101.5	101.1	101.2	100.9	100.8	100.4	98.9	98.5	98.2	98.0	91.7	91.3		
5. Fixed dividend Industrial Securities 104.0	100.7	100.8	100.1	101.2	100.7	100.6	100.8	100.4	100.4	97.6	93.5	92.4		
6. Variable dividend Industrial Securities 110.6	118.0	117.9	113.1	117.0	123.8	128.7	134.6	135.7	127.1	121.7	113.1			
7. Bullion (Bombay) (a) Gold (Spot) June-Aug. 1939=100	309.9	314.6	304.6	310.8	309.1	302.0	303.5	308.8	306.2	295.0	284.6	240.7		
(b) Silver (Spot) ,,	377.7	350.3	356.0	387.1	369.0	378.7	388.7	410.7	409.8	392.1	391.9	324.7		
II. Trade														
8. Total Imports \$ (Crores of Rupees)	185.4	160.5	139.8	103.2	142.1	163.1	132.9	107.2	215.5	239.2	233.0	268.5		
9. Total Exports \$,,	100.2	107.9	145.5	150.1	100.5	129.7	164.7	205.7	202.4	185.5	172.6	171.2		
10. Net Balance of Trade \$,,	-85.2	-62.6	+5.7	+46.9	-41.6	-33.4	+31.8	+38.5	-13.1	-53.7	-60.4	-97.3		
11. Total number of wagons loaded* ("000" Nos.)	2,554	2,578	2,722	2,253	2,343	2,710	2,891	2,692	2,766	2,889	3,104			

III. Financial Statistics

12. Scheduled Banks (Average of weeks)		(Crates of Rupees)	
(a) Demand Liabi-	"	609·5	596·8
(b) Time Liabi-	"	284·0	271·6
(c) Cash and	"	267·5	271·6
Balances with			
the Reserve			
Bank			
(d) Advances and	"	93·8	113·0
Bills purchased			
and discounted††			
13. Cheque Clearances	"	494·6	428·1
(Total)	"	1,572·8	1,446·1
14. Absorption (+) or		1,573·6	1,605·4
Return (-) of		1,552·2	1,540·8
Notes	"		
15. Absorption (+) or	"	-14·9	-74·6
Return (-) of		+26·6	+57·1
Notes and			
Rupees	"	-14·6	-79·5
16. Foreign Assets of		+28·2	+62·6
the Reserve Bank			
(Quarter-end)	"	828·1	789·4
17. Central Government		826·3	858·8
Deposits with			
the Reserve			
Bank (Quarter-end)	"	125·2	145·6
18. 'Other Loans and		152·0	129·3
Advances' by the			
Reserve Bank			
(Quarter-end)	"	8·5	8·0
19. † Tax Revenue §§	"	74·7	156·2
20. † Total Revenue	"	236·7	353·7
Receipts (Net)	"	77·2	171·2
21. † Total Revenue Ex-	"	256·0	333·0
penditure (Net)	"	53·9	108·3
22. Rupee Debt of		182·6	299·8
Government of			
India (Quarter-end) :—	"	54·6	123·6
(a) Rupee Loans	"	1,478·4	1,437·2
(b) Treasury Bills			
outstanding	"	334·4	378·5

§ Figures include land frontier trade with Pakistan. * Including miscellaneous smalls, miscellaneous full wagons, and home line stores and materials.
 † Including borrowings from banks other than the Reserve Bank. †† Including money at call and short notice in India. §§ Including customs, central excise duties and income-tax. ‡ April to quarter-end; figures relate to Central Government.

¶ Figures include land frontier trade with Pakistan. * Including miscellaneous smalls, miscellaneous full wagons, and home line stores and materials.
 † Including borrowings from banks other than the Reserve Bank. †† Including money at call and short notice in India. §§ Including customs, central excise duties and income-tax. ‡ April to quarter-end; figures relate to Central Government.

§ Figures include land frontier trade with Pakistan. * Including miscellaneous smalls, miscellaneous full wagons, and home line stores and materials.
 † Including borrowings from banks other than the Reserve Bank. †† Including money at call and short notice in India. §§ Including customs, central excise duties and income-tax. ‡ April to quarter-end; figures relate to Central Government.

STATEMENT 12

PRODUCTION OF FOODGRAINS IN THE INDIAN UNION

(Reference paragraph 17)

(Thousands of Tons)

Commodity	Reporting Areas only						Reporting and Non-Reporting Areas					
	1938-39	1940-41	1941-42	1942-43	1943-44	1944-45	1945-46	1946-47	1947-48	1948-49	1949-50	1950-51
1. Rice	17,847	16,576	17,343	18,107	20,846	19,771	18,208	19,985	19,584	21,748	22,597	23,170
2. Wheat	6,944	6,928	6,446	6,945	6,324	6,849	5,907	4,744	5,389	5,471	5,650	6,290
3. Jowar [†]	6,368	6,892	6,153	6,437	6,541	6,862	5,517	5,277	5,967	5,011	5,022	5,777
4. Bajra [‡]	2,200	2,669	2,632	3,374	3,273	3,339	2,803	2,667	2,764	2,120	2,171	2,790
5. Maize [‡]	1,621	1,844	1,658	2,035	1,969	2,269	2,060	2,036	2,127	1,754	2,072	2,014
6. Ragi	1,550	1,854	1,845	1,771	1,764	1,638	1,170	1,476	1,455	1,465	1,520	1,369
7. Barley	1,719	2,124	1,837	2,041	1,898	2,138	1,982	2,414	2,604	2,166	2,206	2,215
8. Small Millets [*]	2,131	2,342	1,906
Total Grains	38,149	38,987	37,914	40,710	42,615	42,806	37,627	38,598	39,890	39,725	43,314	46,018
9. Gram	2,749	3,004	2,720	3,514	2,826	3,227	3,141	3,599	4,503	4,535	4,535	3,667
Grand Total...	40,898	41,691	40,684	44,994	45,441	46,093	40,783	42,197	44,393	44,260	47,949	49,985
												45,499

Note.—Figures relate to the agricultural year ending June. [†]Figures from 1944-45 are not strictly comparable with those relating to earlier years owing to an increase in reporting areas. [‡]Relates to non-reporting areas only.

Sources: Abstract of Agricultural Statistics of India, 1949; Estimates of Area and Yield of Principal Crops in undivided India, 1949 and Area and Yields of Principal Crops in India, March 1951, and Production of Principal Crops in India, November 1951.

STATEMENT 13

PRODUCTION OF INDUSTRIAL RAW MATERIALS AND OTHER AGRICULTURAL COMMODITIES IN THE INDIAN UNION

(Reference paragraph 17)

Commodity	Unit	1938-39	1940-41	1941-42	1942-43	1943-44	1944-45	1945-46	1946-47	1947-48	1948-49	1949-50	1950-51*
1. Sugar (Raw)	(000 tons)	2,848	5,055	3,709	4,439	5,004	4,740	4,552	4,913	5,817	4,869	4,938	5,462
2. Oilseeds ...	(")	4,811	5,476	4,203	4,578	5,431	5,548	5,013	5,148	5,117	4,502	5,142	5,173
(a) Sesamum	(")	364	401	382	424	411	353	354	323	351	335	431	421**
(b) Groundnut	(")	3,219	3,702	2,545	2,858	3,823	3,856	3,466	3,588	3,411	2,901	3,379	3,437†
(c) Rape and Mustard	(")	690	846	837	757	692	828	719	792	806	735	793	826
(d) Linseed	(")	427	422	346	393	365	380	351	328	431	423	411	385
(e) Castorseed	(")	111	105	93	146	140	131	123	117	118	108	128	104†
3. Cotton (lint)	(000 bales of 382 lbs. each)	3,601	4,365	4,420	3,092	3,705	2,222	2,167	2,168	2,188	1,767	2,028	2,926
4. Jute ...	(000 lbs. each)	1,638	2,773	1,646	1,637	1,463	1,164	1,459	1,320	1,658	2,055	3,089	3,301†
5. Tea ...	(000 lbs.)	4,37,003	4,71,285	5,01,508	5,04,975	4,75,838	4,91,613	5,34,845	5,61,740	5,77,807	5,85,080\$	..	..
6. Coffee† ...	(tons)	17,962	14,037	16,185	16,052	16,881	17,720	20,527	18,150	15,612	15,584	22,004\$	..
7. Rubber ...	(000 tons)	..	16	17	17	17	16	16	15	16	16	16	17
8. Lac ...	(000 mds.)	1,465	1,233	1,421	1,374	849	962	1,127	1,767	972	806	1,161	983
9. Silk (Raw)	(000 lbs.)	..	1,524	1,724	1,858	1,939	2,080	2,100	2,122	2,232	2,104	2,127	..
10. Mica ...	(000 cwt.s.)	190	287	203	202	72	96	210	193	152	271	..	..
11. Iron Ore ...	(000 tons)	3,166	3,194	2,655	2,364	2,564	2,408	2,498	2,285	2,809	..	3,611	..
12. Manganese Ore	(")	845	786	757	595	371	211	253	451	467	646	..	1,145

Note.—Figures relate to production in reporting areas only; estimates of production for non-reporting areas in respect of crops other than foodgrains are not available and are also not likely to be significant. Items 1—4 and 6 refer to the agricultural year. Items 5, 7 and 9 to 12 refer to the calendar year. Item 8 refers to the financial year. Items 10—12: figures upto and including 1946 relate to undivided India. * Final estimates; ** Supplemental Crop Forecast. † Final Crop Forecast—revised. † From 1943-44 onwards, figures are converted into tons at the rate of 2,240 lbs.=1 ton. \$ Provisional.

Source: Abstract of Agricultural Statistics of India, 1949; Estimates of Area and Yield of Principal Crops in undivided India, 1949; Area and Production of Principal Crops in India, November 1951 and Final Crop Forecasts. Item 8: figures supplied by the Indian Lac Cess Committee. Items 10—12: figures supplied by the Ministry of Natural Resources and Scientific Research. Items 7 and 9: figures supplied by the Ministry of Commerce and Industry.

STATEMENT 14

INDUSTRIAL PRODUCTION IN INDIA (Reference paragraph 18)

Industry	Unit	1938	1940	1941	1942	1943	1944	1945	1946	1947	1948	1949	1950	1951
Finished Steel*	(000 tons)	702	886	1,000	923	947	934	954	890	893	857	930	1,004	1,076
Cotton Yarn	(million lbs.)	1,289	1,276	1,537	1,529	1,685	1,643	1,644	1,367	1,296	1,447	1,360	1,175	1,304*
Cotton Piece-goods	(million yds.)	4,306	4,092	4,731	4,025	4,751	4,852	4,711	3,908	3,762	4,319	3,905	3,665	4,076
Jute Manufacturers*	(000 tons)	1,266	1,234	1,194	1,278	1,084	1,115	1,086	1,088	1,051	1,088	946†	835†	875†
Paper and Paper Boards	(000 cwt.s.)	1,164	1,698	1,874	1,810	1,792	1,927	1,964	2,120	1,862	1,958	2,064	2,178	2,638
Sulphuric Acid	(000 cwt.s.)	485	731	874	784	864	804	734	1,200	1,200	1,000	1,089	2,050	2,139
Ammonium Sulphate	(000 tons)	14.5	25.4	29.7	27.3	21.7	23.5	22.4	22.5	21.3	35.2	45.9	47.3	52.7
Paints	(000 cwt.s.)	572	728	1,064	1,055	1,105	1,141	1,030	768	772	714	618	559	670
Matches	(million gross)	21.6	22.8	19.2	14.4	16.8	18.0	22.8	20.6	23.3	26.6	26.3	26.2	28.9
Sugar†	(000 tons)	994	1,182	1,210	886	1,075	1,091	967	923	901	1,075	1,001	977	1,115
Cement	(000 tons)	1,404	1,712	2,083	2,188	2,118	2,048	2,204	1,542	1,447	1,533	2,102	2,612	3,196
Salt §§	(000 mds.)	43,968	43,093	52,087	50,120	53,519	50,708	54,602	47,868	51,900	63,528	57,620	71,316	74,376
Coal Raisings	(000 tons)	28,344	29,388	29,460	29,436	25,512	26,040	28,716	28,884	30,010	29,820	31,452	31,992	34,308
Electricity Generated	(million kwh.)	..	2,808	3,240	3,276	3,576	3,828	4,116	3,892	4,073	4,575	4,900	5,068	5,852
Sold	"	..	2,341	2,724	2,770	3,012	3,212	3,439	3,348	3,415**	3,721	3,984	4,103	4,762
Kerosene	(000 gallons)	38,284	38,413	39,553	25,484	19,594	17,942	11,110	14,486	13,594**	11,382	11,611	..	..

Note.—Figures from August 1947 relate to the Indian Union. * Figures relate to the Indian Union. ** Figures relate to the Indian Jute Mills Association and also to one non-member mill. † Figures from 1946 relate to the crop year November to October and are for cane sugar only. §§ Figures upto 1946 relate to fiscal year beginning April. Data based on the average for last 5 months.

Sources : Monthly Abstract of Statistics ; Ministry of Commerce and Industry ; Monthly Survey of Business Conditions.

STATEMENT 15
INDEX NUMBERS OF WHOLESALE PRICES IN INDIA
AND COST OF LIVING* IN BOMBAY
(Average of weekly figures)
(Reference paragraph 19)

(A) SENSITIVE SERIES

(Base : Week ended August 19, 1939 = 100)

Year	Agricultural Commodities	Raw Materials	Primary Commodities	Manufactured Articles	Chief Articles of Export†	General Index‡	Cost of Living* (Bombay)
1939-40	127.5§	118.8§	124.2§	131.5§	130.5§	125.6§	105
1940-41	108.6	121.5	113.4	119.8	114.1	114.8	109
1941-42	124.2	146.9	132.5	154.5	137.3	137.0	122
1942-43	166.2	165.9	166.0	190.4	161.7	171.0	166
1943-44	268.7	185.0	232.5	251.7	236.4	236.5	226
1944-45	265.4	206.0	240.5	258.3	243.9	244.2	225
1945-46	272.6	210.0	246.2	240.0	248.9	244.9	228
1946-47	313.8	235.3	280.0	259.1	296.8	275.4	252
1947-48	356.9	254.0	312.6	287.8		307.0	268

(B) GENERAL PURPOSE SERIES

(Base : Year ended August 1939 = 100)

Year and Month	Food Articles	Industrial Raw Materials	Semi-Manufactures	Manufactured Articles	Miscellaneous	General Index	Cost of Living* (Bombay)	
1947-48	306.1	377.5	261.6	286.4	456.2	308.2	268	
1948-49	382.9	444.8	327.3	346.1	525.2	376.2	297	
1949-50	391.3	471.7	331.6	347.2	570.7	385.4	291	
1950-51	416.4	523.1	348.9	354.2	707.4	409.7	302	
1951-52	398.6	501.9	374.4	401.5	721.6	434.6	314	
April	1950	399.3	483.9	332.7	347.8	620.0	391.3	292
May	"	401.2	485.9	335.0	348.3	642.4	393.3	297
June	"	402.8	490.7	335.5	347.6	692.0	395.6	297
July	"	422.8	505.9	339.6	348.2	708.9	405.2	304
August	"	426.5	513.1	343.8	349.9	727.3	409.2	307
September	"	430.4	517.0	346.9	350.4	760.8	412.5	308
October	"	427.3	520.1	346.9	350.4	728.6	411.2	304
November	"	424.3	522.0	347.9	349.5	744.7	410.9	297
December	"	423.9	533.8	351.0	350.0	718.0	412.6	295
January	1951	413.5	552.0	358.8	353.5	701.1	414.3	303
February	"	414.0	556.5	371.6	369.7	706.3	423.4	306
March	"	412.0	608.9	381.4	387.2	753.4	438.6	316
April	"	412.5	683.1	387.8	411.7	751.5	457.5	319
May	"	412.9	686.1	387.9	410.2	723.3	456.8	319
June	"	412.8	688.7	386.0	409.4	724.4	456.5	321
July	"	408.3	644.0	379.6	405.6	724.6	447.0	317
August	"	408.8	590.6	376.1	399.1	729.7	437.6	312
September	"	412.2	607.4	374.3	399.5	721.1	435.1	310
October	"	409.5	588.0	375.8	401.9	720.0	438.0	316
November	"	401.0	583.8	377.0	400.2	750.9	435.6	317
December	"	399.1	574.1	373.6	402.1	752.1	433.1	315
January	1952	303.0	580.6	369.3	400.9	735.0	430.3	315
February	"	375.4	545.4	364.2	394.1	709.8	415.8	309
March	"	342.7	424.2	343.2	383.8	625.6	377.5	298

† Discontinued from April 1947. ‡ Discontinued from April 1948. § Seven months ended March 1940.

Source : Office of the Economic Adviser to the Government of India. * Monthly indices compiled by the Office of the Deputy Commissioner of Labour (Information), Bombay; original base-year ended June 1934=100 shifted to August 1939=100; annual figures are averages of monthly indices.

STATE

WEEKLY INDEX NUMBERS OF WHOLESALE

(Base : Year ended

(Reference

Week ended	Food Articles				Industrial Raw Materials					
	Cereals	Pulses	Others*	Group Index	Fibres	Oilsseeds	Minerals	Others†	Group Index	
1 April	7, 1951 ...	496	497	287	414·2	737	708	410	634	679·7
2 "	14, " ...	494	497	289	414·3	782	718	403	591	699·8
3 "	21, " ...	484	506	290	410·0	743	720	408	573	680·8
4 "	28, " ...	487	503	290	411·3	732	717	405	557	672·6
5 May	5, " ...	487	506	290	411·4	742	722	419	558	681·3
6 "	12, " ...	492	514	288	418·4	750	723	419	564	686·1
7 "	19, " ...	490	515	288	412·8	746	739	409	567	687·3
8 "	26, " ...	489	525	290	413·8	752	738	409	571	689·8
9 June	2, " ...	491	516	291	415·1	766	730	401	568	692·9
10 "	9, " ...	489	514	294	415·0	768	729	406	572	694·9
11 "	16, " ...	489	506	294	414·6	771	732	408	585	698·8
12 "	23, " ...	480	498	295	409·8	737	724	418	580	681·3
13 "	30, " ...	480	494	295	409·5	735	714	414	569	675·4
14 July	7, " ...	476	494	294	407·6	736	701	478	550	680·8
15 "	14, " ...	481	498	289	407·4	680	684	439	532	640·7
16 "	21, " ...	482	496	291	409·0	674	673	436	532	634·5
17 "	28, " ...	480	494	293	408·0	663	650	450	498	621·3
18 August	4, " ...	477	506	292	407·8	655	650	447	484	615·8
19 "	11, " ...	480	514	295	410·8	632	609	443	498	593·0
20 "	18, " ...	481	511	292	409·8	624	597	451	484	585·3
21 "	25, " ...	481	494	288	408·7	588	609	434	488	599·0
22 September	1, " ...	487	490	285	408·5	568	610	457	509	568·3
23 "	8, " ...	490	489	286	410·3	564	611	457	509	561·4
24 "	15, " ...	497	492	285	413·3	574	609	451	507	565·6
25 "	22, " ...	498	492	287	414·8	580	617	447	501	569·7
26 "	29, " ...	496	492	288	414·1	597	610	451	499	576·9
27 October	6, " ...	492	500	286	412·1	593	635	457	490	582·0
28 "	13, " ...	496	502	286	414·1	607	654	450	490	593·3
29 "	20, " ...	494	505	285	408·0	599	656	457	491	591·2
30 "	27, " ...	474	502	288	408·6	593	653	445	495	585·6
31 November	3, " ...	478	502	280	405·1	592	647	461	501	585·9
32 "	10, " ...	470	500	286	400·9	597	647	448	490	586·1
33 "	17, " ...	469	502	289	401·7	596	653	446	494	587·3
34 "	24, " ...	464	510	288	399·8	592	624	456	484	576·2
35 December	1, " ...	459	516	287	396·9	597	617	444	459	574·5
36 "	8, " ...	461	512	287	397·5	595	611	444	446	571·0
37 "	15, " ...	466	512	287	400·1	597	622	443	439	578·3
38 "	22, " ...	466	511	288	400·4	603	626	443	432	577·5
39 "	29, " ...	466	514	288	400·6	603	615	445	420	578·6
40 January	5, 1952 ...	466	514	274	394·4	614	611	455	425	580·1
41 "	12, " ...	466	506	272	392·7	628	612	450	429	587·0
42 "	19, " ...	464	506	274	392·4	617	612	451	425	581·3
43 "	26, " ...	464	506	273	392·8	609	602	449	422	578·8
44 February	2, " ...	463	511	269	390·1	603	581	456	429	586·1
45 "	9, " ...	464	500	244	377·8	575	565	450	410	545·4
46 "	16, " ...	464	475	234	371·0	578	550	458	411	542·9
47 "	23, " ...	462	469	223	368·5	571	511	462	403	527·6
48 March	1, " ...	448	455	218	355·8	484	468	452	397	469·8
49 "	8, " ...	430	413	205	339·5	411	393	448	377	405·5
50 "	15, " ...	438	391	200	335·2	379	370	466	360	393·8
51 "	22, " ...	443	412	218	345·7	432	413	450	359	420·8
52 "	29, " ...	444	418	200	339·3	476	423	462	336	447·1

* Comprising tea, coffee, sugar, gur and salt. † Comprising hides raw, skins raw, lac and rubber.

MENT 16

PRICES (GROUPS AND SUB-GROUPS), 1951-52

August 1939=100)

paragraph 19)

Semi-Manufactures

Leather oils	Mineral oils	Vege- table oils	Cotton yarn	Metals cakes	Oil Others**	Group Index	Tex- tiles	Metal Products	Others†	Group Index	Miscele- neous‡‡	All Com- modities
10	11	12	13	14	15	16	17	18	19	20	21	23
510	195	720	482	191	492	332	382·3	505	278	300	413·5	791·6
544	195	730	495	191	508	355	390·1	504	278	301	413·1	789·1
537	195	732	497	191	513	353	390·5	497	278	303	409·9	715·2
524	195	714	497	191	518	351	388·3	498	278	303	410·2	713·6
502	195	722	497	191	497	351	386·9	494	279	304	408·7	721·1
508	195	735	500	191	502	349	389·0	496	279	304	410·2	723·1
488	195	737	500	191	491	340	387·6	497	279	305	410·6	724·3
494	195	734	500	192	497	341	388·2	498	279	305	411·4	724·6
505	195	719	500	192	491	339	387·5	496	279	309	411·1	724·0
517	195	713	500	192	481	339	387·2	498	279	310	412·3	724·9
527	195	712	500	192	485	313	386·1	491	279	310	408·9	722·8
530	195	709	500	192	511	313	386·8	491	279	308	408·3	726·1
486	195	704	500	191	483	313	388·5	488	279	306	408·3	724·3
486	195	692	500	189	502	311	381·3	485	284	308	408·2	720·1
477	195	678	500	191	496	334	380·4	486	284	308	408·7	716·0
464	195	676	500	190	485	331	379·4	482	284	308	404·6	734·5
463	195	655	500	191	485	331	377·6	482	284	308	404·3	728·1
442	195	649	500	207	481	332	381·3	485	284	308	408·0	730·2
408	195	622	500	207	487	309	375·2	479	284	306	402·4	727·8
390	195	616	500	206	494	309	373·7	464	284	307	394·7	729·1
400	195	629	500	205	484	310	374·5	463	284	306	393·6	731·1
402	195	626	500	207	491	334	376·3	465	294	306	397·4	729·0
399	195	620	500	206	504	335	376·0	466	294	305	397·3	727·8
375	195	610	500	206	496	340	378·3	471	294	305	400·4	720·9
382	195	615	500	207	496	340	374·4	472	294	305	400·6	716·6
370	195	614	500	207	481	309	371·5	474	294	305	401·7	711·2
380	199	621	495	207	495	308	372·4	475	294	305	402·6	711·5
378	199	635	495	207	494	332	374·9	475	294	305	402·5	714·8
384	205	642	495	207	506	331	377·9	473	294	305	401·5	728·8
384	205	646	495	207	501	330	378·1	472	294	306	401·0	730·8
390	205	651	495	207	505	326	378·0	472	294	306	401·2	728·5
390	205	646	495	207	515	326	378·9	470	294	303	399·0	754·1
389	205	647	495	207	515	301	377·6	470	294	302	399·1	760·2
376	205	640	495	208	519	302	376·0	475	294	301	401·5	761·4
359	205	632	495	208	515	315	374·8	478	298	300	404·0	758·0
352	205	626	495	208	507	336	374·4	477	298	301	403·3	756·5
334	208	630	495	208	521	335	374·4	473	298	302	401·5	753·2
334	209	628	495	207	515	325	378·4	472	298	303	401·3	747·3
319	209	620	495	206	502	324	370·4	470	298	303	400·3	745·9
317	200	612	495	206	494	322	368·9	473	298	304	401·9	737·7
319	209	613	495	206	480	320	369·1	472	298	303	401·5	734·3
328	209	607	495	206	483	320	369·1	471	298	304	400·7	733·6
329	218	597	495	206	483	320	370·1	468	298	304	399·4	734·5
334	218	577	495	205	498	316	367·6	462	298	304	398·2	723·0
339	218	559	498	203	470	315	366·3	457	304	304	394·5	708·2
342	218	548	498	204	470	288	368·9	454	306	304	393·1	707·3
346	218	509	498	203	453	289	359·2	453	306	302	392·2	700·3
346	218	487	498	203	432	288	353·4	449	306	302	390·0	692·3
347	218	392	498	202	418	288	342·9	440	311	302	386·0	650·1
341	218	376	498	201	403	286	339·0	424	311	301	376·6	610·8
310	218	411	498	200	391	282	340·1	437	311	300	388·8	589·9
283	218	435	498	199	307	277	340·6	434	311	300	382·4	590·9
												378·2

** Comprising timber and coir yarn. † Comprising shoes, tyres and tubes, cement, paper, matches, glass, soap, chemicals, paints, cigarettes, liquors and dyestuffs. ‡‡ Comprising vanaspati ghee, spices and condiments, betelnuts, cashewnuts, bricks and tiles and tobacco leaf.

Source : Office of the Economic Adviser to the Government of India.

STATEMENT 16(A)

RECENT MOVEMENTS IN PRICE INDICES OF SELECTED COMMODITIES

(Base: Year ended August 1939=100)

(Reference paragraph 19)

Group and Commodity	Pre-devaluation (Sept. 17, 1940)	Pre-Korean (June 24, 1950)	March 31, 1951	Post-Korean (April 14, 1951)										Percentage variations of					
				March 29, 1952				4 over 1952		6 over 1952		6 over 1952		6 over 1952		6 over 1952		6 over 1952	
				1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
I. Food Articles				392·6	407·1	414·1	414·3	392·3	339·3	+ 1·8	- 18·1	- 16·7	- 13·5	- 18·1					
Cereals	460	456	496	494	464	444	444	521	521	+ 10·4	- 10·1	- 2·6	- 4·3	- 10·5					
Rice	498	501	553	553	541	541	541	591	591	+ 14·8	- 5·8	- 4·0	- 3·7	- 5·8					
Wheat	544	515	515	515	512	501	501	501	501	+ 15·2	- 2·7	- 2·1	- 2·1	- 15·2					
Pulses	409	429	505	497	506	418	418	381	381	+ 15·9	- 15·9	- 2·6	- 17·4	- 17·2					
Gram	318	345	391	381	350	350	350	350	350	+ 10·4	- 8·1	+ 1·4	- 8·1	- 10·5					
Others	298	327	285	289	273	290	290	361	361	+ 11·6	- 30·8	- 38·8	- 26·7	- 28·8					
Tea	385	432*	380	406	361	217	217	361	361	+ 6·0	- 46·6	- 49·8	- 39·9	- 42·9					
Gur	328	486	305	305	259	134	134	37·1	37·1	- 56·1	- 72·4	- 46·4	- 46·4	- 56·1					
II. Industrial Raw Materials				470·1	494·2	655·8	698·8	573·8	447·1	+ 41·6	- 38·1	- 9·5	- 22·1	- 31·8					
Fibres	487	468	688	782	609	476	476	504	504	+ 11·6	- 15·5	- 5·7	- 1·7	- 21·8					
Cotton Raw	412	440	491	491	415	415	415	511	511	+ 102·3	- 57·9	- 43·9	- 17·7	- 15·5					
Jute Raw	474	479	1,026	1,026	400	390	390	907	907	+ 133	+ 63·1	- 22·6	- 27·3	- 42·5					
Wool Raw	337	317	907	907	335	335	335	335	335	+ 61·9	- 63·1	- 43·9	- 63·1	- 63·1					
Oilsseeds	644	657	707	718	602	493	493	636	636	+ 9·3	- 41·1	- 35·6	- 29·7	- 40·2					
Groundnuts	715	746	817	831	483	483	483	483	483	+ 11·4	- 41·3	- 34·6	- 25·6	- 40·3					
Linsseed	473	530	632	654	588	393	393	680	680	+ 21·3	- 39·9	- 27·1	- 33·2	- 37·8					
Castorseed	457	481	823	856	458	282	282	429	429	+ 8·6	- 46·8	- 42·8	- 32·6	- 44·3					
Cottonseed	485	454	494	493	429	429	429	536	536	+ 9·0	- 43·7	- 38·7	- 34·3	- 42·9					
Copra	951	1,054	1040	836	585	585	585	585	585	+ 9·0	- 43·7	- 38·7	- 30·0	- 44·5					
Minerals	381	342	414	403	449	462	462	17·8	17·8	+ 14·6	- 35·1	+ 2·9	+ 11·6						
Manganese Ore (export prices)	388	452	584	490	691	752	752	582	582	+ 53·5	+ 66·4	+ 8·8	+ 8·8	+ 8·7					
Mica	368	418	526	582	572	572	572	572	572	+ 1·7	+ 39·2	+ 1·7	+ 1·7	+ 8·7					

	Others	347	371	640	591	422	386	59·3	43·1	9·4	20·4	47·6
	Hides Raw	326	363	709	628	444	361	64·0	42·5	5·7	18·7	49·1
	Lac	... ... ... Rubber	658	694	1010	973	863	643	33·9	7·3	25·5	36·3
		199	201	283	283	294	294	40·8	3·9	46·3	3·9	+
III.	Semi-Manufactures	334·4	335·5	384·2	390·1	370·1	340·6	16·3	12·7	1·5	8·0	11·3
	Leather	315	335	586	544	329	283	62·4	48·0	15·5	14·0	51·7
	Mineral Oils	... ... ... Vegetable Oils	183	190	195	218	218	2·6	11·3	14·7	—	+ 11·8
	Coconut Oil	662	663	717	730	587	485	10·1	40·4	24·4	27·1	- 39·3
	Groundnut Oil	827	817	801	913	929	826	619	13·7	41·8	33·3	- 41·9
	Linseed Oil	568	609	713	727	672	486	19·4	33·1	29·1	22·9	- 37·8
	Cotton yarn	... ... ... Oilseeds	435	409	476	495	495	21·0	0·6	21·8	0·6	+ 4·6
	Metals	... ... Pig Iron	175	174	190	191	206	189	9·8	4·2	14·4	3·4
	Zinc Spelter	118	123	123	123	150	150	22·0	22·0	23·0	22·0	+ 4·7
	Copper	515	723	1888	1942	1346	903	168·6	48·9	37·3	26·2	- 47·4
	Others	255	318	430	440	447	392	38·4	10·9	23·3	12·3	- 8·8
		256	315	334	355	320	277	12·7	22·0	12·1	13·4	- 17·1
IV.	Manufactured Articles	350·0	346·9	398·3	413·1	389·4	382·4	19·1	7·4	10·2	4·3	4·0
	Textiles	405	398	477	504	488	494	26·6	13·9	9·0	7·3	- 9·0
	Jute Manufactures	565	561	1052	1079	768	558	02·3	48·3	0·3	27·3	- 47·3
	Cotton Manufactures	375	363	382	410	410	410	16·1	—	16·1	—	+ 7·3
	Rayon & Silk Manufactures	456	591	672	677	541	430	14·6	35·2	25·7	18·9	- 34·7
	Woollen Manufactures	283	283	329	329	388	388	16·3	17·9	37·1	—	+ 17·9
	Metal Products	272	269	278	278	298	311	3·3	11·9	15·6	4·4	+ 11·9
	Others	268	273	299	301	304	300	10·3	0·3	9·9	1·3	+ 0·3
	Chemicals	273	281	282	282	339	343	0·4	21·6	22·1	1·2	- 21·6
	Dye-stuffs	297	297	305	305	309	311	2·7	2·0	4·7	0·6	+ 2·0
	Tyres and Tubes	262	262	344	344	366	366	31·3	6·4	39·7	—	+ 6·4
V.	Miscellaneous	557·8	692·4	755·1	789·1	734·5	590·9	14·0	25·1	14·7	19·6	21·7
	Vanaspati Dada	400	430	463	463	436	436	7·7	5·8	1·4	—	- 5·8
	Black Pepper	2522	2805	3418	3439	2857	2289	22·6	33·4	18·4	22·6	- 33·0
	Cashew-nuts	284	356	548	488	638	584	37·1	19·7	64·0	8·5	+ 6·6
	Tobacco Leaf	644	1003	1173	1314	1216	902	31·0	31·4	10·1	25·8	- 23·1
VI.	All Commodities	386·7	397·1	449·6	462·0	428·8	378·2	16·3	18·1	4·8	11·8	15·9

* As on June 10, 1950.

Source: Office of the Economic Adviser to the Government of India.

STATEMENT 17

MONEY SUPPLY† IN UNDIVIDED INDIA

	1938-39	1939-40	1940-41	1941-42	1942-43	1943-44	1944-45	1945-46	1946-47	1947-48
(Crores of Rupees)										
I. Currency—										
1. India, notes in circulation	178	225	241	382	644	882	1,085	1,219	1,242	1,304
2. Variation (Circulation of rupee coin)	—13	+10	+33	+7	124**	137	147	166	168	155*
3. Notes and coin with Treasuries†	2	2	2	2	1	2	3	7	2	1*
4. Cash on hand of scheduled, non-scheduled and co-operative banks§	9	10	13	16	25	34	41	51	50	49
5. Currency with the public (excluding small coin) (1+2+3—4)	...	...	...	...	...	...	...	...	...	...
6. Variation in currency with the public	+56	+46	+145	+299	+742	+983	+1,188	+1,327	+1,353	+1,409
II. Deposits—										
7. Demand liabilities of scheduled (including inter-bank demand deposits), non-scheduled and co-operative banks§...	168	187	215	276	435	596	682	807	793	849
8. Deposits with the Reserve Bank:										
(a) Deposits of the Central Government	9	8	5	7	19	76	254	521	432	320
(b) Deposits of banks	11	18	35	42	47	50	85	77	71	79
(c) Deposits of other Governments ...	7	11	12	12	16	25	29	35	30	24
(d) Other deposits ...	1	1	6	2	5	15	23	10	16	21§§
9. Deposits with the Reserve Bank excluding those of the Central Government and banks (8. c+d)	8	18	14	21	40	52	45	46	45	45§§
10. Deposit money with the public (7+9)	176	199	233	290	456	636	734	852	839	894
11. Variation in deposit money with the public	...	...	...	...	...	...	...	...	...	...
12. Money Supply with the public (excluding small coin) (5+10)	...	...	...	...	...	...	...	...	...	...
13. Variation in money supply with the public	...	...	...	...	...	...	...	...	...	...

Note.—Figures are as on last Friday. Figures for Burma are excluded. †Excluding small coin.

‡Rupee coin circulation is available from October 1943 onwards; upto 1941-42 the figures relate to absorption or return of rupee coin.

**October 1943. *Relates to the Indian Union only. †As on last day of the month. §For some periods figures relating to non-scheduled banks are estimates, while figures for 1947-48 are for the Indian Union only; figures relating to co-operative banks are as at the end of June; these data (on a pre-partition basis) are available upto June 1947 only and have been assumed to be constant thereafter. §§Excluding balance held on IMF Account No. I.

STATEMENT 17(A)

MONTHLY VARIATIONS IN MONEY SUPPLY (a) IN THE INDIAN UNION, 1951-52

(Reference paragraph 20)

(Crores of Rupees)

	1951-52												1950-51	1950-51	1949-50	1949-50	
	April	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Jan.	Feb. March	1950-51	1950-51	1949-50	1949-50		
I. Currency																	
1. India notes in circulation	(b)	+ 33.5	+ 5.4	- 28.8	- 55.9	- 43.3	- 27.6	- 0.7	- 4.5	- 20.9	+ 9.6	- 10.3	+ 1.5	- 100.2	+ 83.9	- 5.8	- 7.8
2. Circulation of rupee coin	(c)	- 3.9	+ 2.0	- 0.1	- 2.2	- 3.8	- 3.8	- 0.7	- 1.7	+ 0.5	- 0.1	- 1.3	- 0.1	- 13.0	+ 5.8	+ 2.3	- 4.3
3. Notes and coin with Treasuries(c)	+ 0.7	- 0.4	+ 0.7	+ 0.6	- 0.7	- 0.2	+ 0.1	+ 0.8	+ 0.1	- 1.6	+ 0.5	- 1.3	- 0.7	+ 2.8	+ 0.4	- 0.1	
4. Cash on hand of scheduled, non-scheduled and co-operative banks (d)	...	+ 1.0	- 0.6	+ 15.0	- 12.1	+ 1.0	- 2.6	- 0.1	- 0.4	+ 7.0	- 11.1	+ 2.8	- 1.6	- 1.7	+ 3.2(e)	- 3.3(e)	- 0.5(e)
b. Currency with the public (excluding small coin) (1+2-3-4)	+ 27.9	+ 8.4	- 44.6	- 46.6	- 47.4	- 28.6	- 0.7	- 6.6	+ 14.3	- 23.6	- 13.7	- 3.1	- 110.8	+ 83.7	- 0.6	- 11.6	
II. Deposits																	
6. Demand liabilities (including inter-bank demand deposits) of scheduled, non-scheduled and co-operative banks (d) ...	- 7.6	- 10.5	- 2.4	+ 23.4	- 0.6	- 19.0	- 6.1	- 11.5	- 7.7	- 5.5	+ 6.4	- 10.1	- 51.1	+ 23.4	- 63.0	- 37.1	
7. Inter-bank demand deposits of scheduled and non-scheduled banks (d) ...	+ 0.9	- 5.2	- 5.9	+ 4.9	+ 6.4	- 3.6	+ 0.6	+ 2.2	- 1.6	+ 6.9	- 3.5	+ 0.2	+ 2.4	- 2.6(f)	- 9.1(f)	..	
8. Deposits with the Reserve Bank ...																	
(i) Deposits of the Central Government ...	- 15.4	- 1.6	+ 17.8	+ 7.0	+ 46.8	- 11.4	- 13.6	+ 14.9	+ 4.0	- 12.3	- 11.8	+ 6.2	+ 18.1	+ 32.8	- 54.7	- 83.9	
(ii) Deposits of banks ...	- 7.1	- 2.6	+ 9.1	+ 17.3	- 0.4	+ 8.8	- 10.1	- 13.9	- 9.7	- 4.7	- 1.2	+ 2.2	- 12.3	+ 6.4	- 2.1	+ 0.7	
(iii) Deposits of other Governments ...	+ 4.4	- 6.5	- 7.2	+ 0.2	- 7.0	+ 3.3	+ 5.8	- 7.7	- 1.5	+ 0.4	+ 15.9	- 1.4	- 1.3	+ 19.2	+ 21.1	+ 3.8	
(iv) Other deposits (g) ...	+ 3.7	- 0.1	- 4.6	- 2.9	- 0.6	- 0.4	- 0.3	- 2.1	+ 1.4	+ 2.7	- 1.4	- 1.7	- 6.4	+ 8.7	- 5.0	+ 1.5	
9. Deposits with the Reserve Bank (g) (excluding those of Central Government and banks) (8.iii+iv) ...	+ 8.1	- 6.6	- 11.8	- 2.7	- 7.6	- 2.9	+ 5.5	- 9.8	- 0.1	+ 3.1	+ 14.5	- 3.1	- 7.7	- 10.5	+ 16.1	+ 5.3	
10. Deposit money with the public (8.-7+g) ...	- 0.4	- 11.9	- 8.3	+ 15.8	- 14.6	- 12.5	- 1.2	- 23.5	- 6.2	- 9.3	+ 24.4	- 13.4	- 61.2	+ 15.5	- 17.8	- 31.8(A)	
III. Money supply with the public (excluding small coin) (8+10)...	+ 27.5	- 3.6	- 52.9	- 30.8	- 62.0	- 41.1	- 1.9	- 30.1	+ 8.1	+ 14.3	+ 10.7	- 10.3	- 172.0	+ 99.2	- 18.4	- 43.8	

Note.—Figures are provisional. Variations in figures as on last Friday. (a) Excluding small coin. (b) Figures from October 1951 are net of India notes returned from circulation in Aden; no adjustments have been made in respect of India rupee coin returned from circulation in Aden, as these are negligible. (c) Variations in figures as on last day of the month. (d) Figures in respect of non-scheduled banks incorporated in and confining their activities to Part 'B' States are available only from January 1952 and these have not been included; those in respect of co-operative banks are not available on a monthly basis and these have not been taken into account. (e) Figures in respect of non-scheduled banks include their balances with the Reserve Bank as these are not available separately. (f) Relate to scheduled banks only. (g) Excluding balance held on IMF Account No 1. (h) Including figures in respect of inter-bank demand deposits.

STATEMENT 18
ABSORPTION OR RETURN OF CURRENCY (ANNUAL) SINCE 1914-15

(Reference paragraph 23)

(Lakhs of Rupees)

		Notes	Rupees*	Small Coin	Total
1914-15	...	...	— 6,01	— 6,70	— 12,90
1915-16	...	...	+ 9,23	+ 10,40	+ 20,01
1916-17	...	...	+ 13,89	+ 33,81	+ 48,69
1917-18	...	...	+ 17,22	+ 27,86	+ 45,08
1918-19	...	...	+ 49,28	+ 45,02	+ 97,22
Average for 5 years 1914-15 to 1918-19	...	+ 16,72	+ 22,08	+ 1,02	+ 39,82
1919-20	...	...	+ 20,20	+ 20,09	+ 42,45
1920-21	...	...	— 5,90	— 25,68	— 32,04
1921-22	...	...	+ 9,35	— 10,46	— 1,15
1922-23	...	...	+ 3,87	— 9,56	— 5,46
1923-24	...	...	+ 7,98	+ 7,62	+ 15,92
1924-25	...	...	+ 2,51	+ 3,65	+ 1,63
1925-26	...	...	+ 1,16	— 8,17	— 6,78
1926-27	...	...	+ 3,40	— 19,76	— 23,06
1927-28	...	...	+ 10,22	— 3,75	+ 6,87
1928-29	...	...	+ 3,57	— 3,03	+ 98
1929-30	...	...	— 18,80	— 21,71	— 40,37
1930-31	...	...	— 11,37	— 21,58	— 33,80
1931-32	...	...	+ 17,24	+ 3,93	+ 21,38
1932-33	...	...	— 14,83	— 7,56	— 22,39
1933-34	...	...	+ 13,54	— 30	+ 13,89
1934-35	...	...	— 32	— 3,21	— 3,05
1935-36	...	...	+ 5,26	— 9,41	— 3,98
1936-37	...	...	+ 25,53	— 2,49	+ 24,05
1937-38	...	...	— 8,23	— 6,52	— 13,88
1938-39	...	...	+ 2,98	— 12,60	— 9,48
1939-40	...	...	+ 49,45	+ 10,08	+ 61,74
1940-41	...	...	+ 19,11	+ 33,23	+ 56,62
1941-42	...	...	+ 152,40	+ 7,18	+ 164,64
1942-43	...	...	+ 261,85	+ 44,93	+ 318,48
1943-44	...	...	+ 238,91	+ 25,60	+ 288,97
1944-45	...	...	+ 202,39	+ 10,05	+ 231,44
1945-46	...	...	+ 133,89	+ 18,35	+ 162,22
Average for 7 years 1939-40 to 1945-46	...	+ 151,14	+ 21,35	+ 10,12	+ 182,61
1946-47	...	...	+ 23,26	+ 1,94	+ 31,11
1947-48	...	...	+ 62,33	— 12,34	+ 53,97
1948-49	...	...	— 7,84	— 4,31	— 11,91
1949-50	...	...	— 5,84	+ 2,29	— 5,71
1950-51	...	...	+ 83,89	+ 5,82	+ 88,61
1951-52	...	...	— 100,21	— 13,00	— 116,22

Note.—Including Burma notes upto 1942-43. Figures upto and including 1947-48 relate to undivided India; those since 1948-49 relate to the Indian Union and are net of adjustments made in respect of Indian currency returned from circulation in Pakistan since April 1948 and of India notes returned from circulation in Aden during the period October 1951 to March 1952. Figures of India rupee coin and small coin returned from circulation in Aden are negligible and no adjustments have been made in respect of these coins. *Including Government of India one rupee notes since July 1940.

STATEMENT 19

MONTHLY ABSORPTION OR RETURN OF CURRENCY[†] IN THE INDIAN UNION

(Reference paragraphs 23, 26 & 27)

(Lakhs of Rupees)

Notes	Rupee Coin*	Small Coin	Total	Month	1950-51			1951-52		
					Notes	Rupee Coin*	Small Coin	Total		
+ 21,07	+ 63	÷ 15	+ 21,85	... April	...	+ 33,52	- 3,88	+ 1	+ 22,65	
- 2,89	+ 2,02	- 5	- 82	... May	...	+ 5,35	+ 1,97	+ 31	+ 7,63	
- 13,17	- 61	- 12	- 18,90	... June	...	- 28,81	- 6	- 34	- 29,91	
- 36,16	- 2,21	- 39	- 38,76	... July	...	- 55,87	- 2,20	- 44	- 58,51	
- 22,81	- 88	- 29	- 23,98	... August	...	- 43,33	- 3,81	- 52	- 47,68	
- 13,97	- 98	- 64	- 15,59	... September	...	- 27,61	- 3,76	- 44	- 31,81	
+ 10,22	+ 98	- 36	+ 10,84	... October	...	- 67	- 1	- 33	- 1,01	
+ 7,97	+ 43	- 39	+ 8,01	... November	...	- 4,50	- 1,73	- 22	- 6,45	
+ 49,47	+ 1,42	- 34	+ 50,55	... December	...	+ 20,90	+ 54	- 41	+ 21,03	
+ 27,44	+ 2,49	- 44	+ 29,49	... January	...	+ 9,58	+ 1,26	- 33	+ 10,51	
+ 26,52	+ 1,83	- 16	+ 28,19	... February	...	- 10,30	- 7	+ 12	- 10,25	
+ 30,20	+ 70	- 27	+ 30,63	... March	...	÷ 1,51	- 1,25	- 47	- 21	
+ 83,89	+ 5,82	- 3,20	+ 86,51	Total	...	- 100,21	- 13,00	- 3,05	- 116,26	

[†] Figures in respect of notes in circulation from October 1951 are net of adjustments made in respect of India notes returned from circulation in Aden; figures of India rupee coin and small coin returned from circulation in Aden are negligible and no adjustments have been made in respect of these coins. * Including Government of India one rupee notes.

STATEMENT 20
CIRCULATION OF NOTES (ANNUAL) SINCE 1909-10
(Reference paragraph 24)

(Lakhs of Rupees)

	Year-end				Annual Average			
	Total Notes Issued	Notes in Circulation	Absorption (+) or Return (-)	Percentage of Absorption or Return (-)	Total Notes Issued	Notes in Circulation	Increase or decrease in average circulation	Percentage of increase or decrease in average circulation
Average for 5 years 1909-10 to 1913-14								
1914-15	61,63	43,96	- 6,01	- 12	64,04	45,43	- 1,20	- 3
1915-16	67,73	53,19	+ 9,23	+ 21	64,10	48,08	+ 2,65	+ 6
1916-17	80,37	67,08	+ 13,89	+ 20	76,14	59,36	+ 11,28	+ 23
1917-18	99,79	84,30	+ 17,22	+ 26	101,77	71,87	+ 12,51	+ 21
1918-19	153,46	133,58	+ 49,28	+ 58	133,20	113,84	+ 41,97	+ 58
1919-20	174,52	153,78	+ 20,20	+ 15	171,68	151,10	+ 37,26	+ 33
1920-21	166,16	147,88	- 5,90	- 4	163,51	138,88	- 12,22	- 8
1921-22	174,78	157,23	+ 9,35	+ 6	173,80	152,22	+ 13,34	+ 10
1922-23	174,70	161,10	+ 3,87	+ 2	176,33	153,27	+ 1,05	+ 1
1923-24	185,85	169,06	+ 7,96	+ 5	179,01	156,93	+ 3,66	+ 2
1924-25	184,19	166,55	- 2,51	- 1	179,27	160,91	+ 3,98	+ 3
1925-26	193,34	167,71	+ 1,16	+ 1	186,88	163,18	+ 2,25	+ 1
1926-27	184,13	164,31	- 3,40	- 2	189,13	156,36	- 0,80	- 4
1927-28	184,87	174,53	+ 10,22	+ 6	180,16	162,62	+ 6,26	+ 4
1928-29	188,03	178,10	+ 3,57	+ 2	187,96	171,90	+ 9,28	+ 6
1929-30	177,23	159,30	- 18,80	- 11	183,11	163,00	- 8,90	- 5
1930-31	160,84	147,93	- 11,37	- 7	165,49	151,13	- 11,87	- 7
1931-32	178,14	165,17	+ 17,24	+ 12	163,84	152,62	+ 1,49	+ 1
1932-33	176,90	150,34	- 14,83	- 9	173,83	152,04	- 58	-
1933-34	177,22	163,88	+ 13,54	+ 9	178,13	157,47	+ 5,43	+ 4
1934-35	186,10	163,56	- 32	-	183,24	161,60	+ 4,13	+ 3
1935-36	195,58	168,82	+ 5,26	+ 3	191,64	164,06	+ 2,46	+ 2
1936-37	208,00	194,35	+ 25,53	+ 15	201,62	175,81	+ 11,75	+ 7
1937-38	I 206,20	178,29	-- 8,23	- 4	{ 207,79	182,19	+ 10,34	+ 6
	B 7,83	783			3,97	3,96		
1938-39	I 196,47	178,36	+ 7	-	202,66	174,39	- 7,80	- 4
	B 10,76	10,74	+ 2,91	+ 37	7,98	7,97	+ 4,01	+ 101
1939-40	I 238,43	225,10	+ 46,74	+ 26	216,84	198,13	+ 23,74	+ 14
	B 13,78	13,45	+ 2,71	+ 25	11,17	11,09	+ 3,12	+ 39
1940-41	I 251,81	240,55	+ 15,45	+ 7	245,09	228,03	+ 29,90	+ 15
	B 17,44	17,11	+ 3,66	+ 27	13,58	13,38	+ 2,29	+ 21
1941-42	I 392,71	381,73	+ 141,18	+ 59	299,46	287,48	+ 59,45	+ 26
	B 28,35	28,33	+ 11,22	+ 66	20,43	20,20	+ 8,82	+ 51
1942-43	I 655,11	643,58	+ 281,85	+ 69	519,58	507,59	+ 220,11	+ 77
	I 894,84	882,49	+ 238,91	+ 37	787,67	777,17	+ 289,58	+ 53
1944-45	I 1,094,66	1,084,88	+ 202,39	+ 23	979,62	968,60	+ 191,52	+ 25
1945-46	I 1,238,41	1,218,77	+ 133,89	+ 12	1,179,05	1,162,64	+ 193,95	+ 20
1946-47	I 1,258,08	1,242,03	+ 23,26	+ 2	1,255,57	1,222,96	+ 60,32	+ 5
1947-48	I 1,319,49	1,304,38	+ 62,33	+ 5	1,274,95	1,227,82	+ 4,86	-
1948-49	I* 1,191,11	1,169,35	- 7,84‡	..	1,253,86	1,231,84	+ 4,02	..
1949-50	I* 1,181,74	1,163,52	- 5,84‡	..	1,152,94	1,128,94	- 102,00	..
1950-51	I* 1,259,13	1,247,41	+ 83,89‡	..	1,180,40	1,163,21	+ 34,27	..
1951-52	I* 1,176,93	1,141,11	- 100,21‡	..	1,217,62	1,189,84	+ 28,63	..

I=India notes.

B=Burma notes.

Note.—Since the Bank assumed the management of the currency, the variations in the figures of notes in circulation as given in the weekly returns of the Issue Department of the Bank are taken to indicate absorption or return. Notes in circulation now include the amounts held in Government Treasuries as well as by the public, but exclude the holdings of the Banking Department of the Reserve Bank.

* The figures are net of adjustments made in respect of (1) Rs. 44.98 crores of India notes withdrawn from circulation in Pakistan during April to June 1948, (2) Rs. 82.20 crores of India notes returned from circulation in Pakistan during July 1948 to February 1949 and (3) about Rs. 6 crores of India notes returned from circulation in Aden during October 1951 to March 1952.

‡ Relates to the Indian Union.

STATEMENT 21
SEASONAL TRENDS IN CURRENCY CIRCULATION
(Reference paragraph 24)

(Lakhs of Rupees)

Periods of Absorption	ABSORPTION (+) RETURN (-)			Periods of Return	
	Notes	Rupees	Total		
Sept. 1920 to Mar. 1921	- 35.68	- 14.67	- 50.35	... Feb. 1920 to Aug. 1920
		+ 20.15	- 10.26	+ 9.89	... ...
		- 3.48	- 8.47	- 11.95	... ...
Aug. 1921 to Dec. 1921	+ 18.19	+ 71	+ 18.90	... Apr. 1921 to July 1921
		- 21.60	- 13.91	- 35.51	... ...
Sept. 1922 to Dec. 1922	+ 22.15	+ 1.24	+ 23.39	... Jan. 1922 to Aug. 1922
		- 21.82	- 8.12	- 29.94	... ...
Sept. 1923 to Feb. 1924	+ 32.15	+ 14.87	+ 47.02	... Jan. 1923 to Aug. 1923
		- 26.09	- 1.82	- 27.91	... ...
Aug. 1924 to Feb. 1925	+ 21.37	+ 6.41	+ 27.78	... Mar. 1924 to July 1924
		- 28.00	- 8.69	- 36.69	... Mar. 1925 to July 1925
Aug. 1925 to Dec. 1925	+ 39.13	+ 1.41	+ 40.54	... Jan. 1926 to Aug. 1926
		- 35.40	- 16.53	- 51.93	... ...
Sept. 1926 to Feb. 1927	+ 24.05	- 3.24	+ 20.81	... ...
		- 19.86	- 9.11	- 28.97	... Mar. 1927 to July 1927
Aug. 1927 to Dec. 1927	+ 28.29	+ 1.97	+ 30.26	... ...
		- 16.43	- 4.41	- 20.84	... Jan. 1928 to Aug. 1928
Sept. 1928 to Dec. 1928	+ 24.13	+ 4.13	+ 28.26	... Jan. 1929 to Sept. 1929
		- 25.63	- 17.46	- 43.09	... ...
Oct. 1929 to Dec. 1929	+ 12.77	- 1.95	+ 14.72	... ...
		- 24.45	- 16.00	- 40.45	... Jan. 1930 to July 1930
Aug. 1930 to Dec. 1930	+ 7.07	- 6.38	+ 69	... ...
		- 18.49	- 18.99	- 37.48	... Jan. 1931 to Aug. 1931
Sept. 1931 to Feb. 1932	+ 34.69	+ 15.72	+ 50.41	... Mar. 1932 to July 1932
		- 24.82	- 4.19	- 29.01	... ...
Aug. 1932 to Dec. 1932	+ 12.27	- 37	+ 11.90	... Jan. 1933 to Aug. 1933
		- 6.88	- 4.82	- 11.70	... ...
Sept. 1933 to Feb. 1934	+ 14.18	+ 2.47	+ 16.65	... Mar. 1934 to Aug. 1934
		- 8.77	- 4.58	- 13.35	... ...
Sept. 1934 to Feb. 1935	+ 11.37	+ 1.67	+ 13.04	... Mar. 1935 to Aug. 1935
		- 15.00	- 7.19	- 22.25	... ...
Sept. 1935 to Apr. 1936	+ 16.21	- 2.18	+ 14.03	... May 1936 to July 1936
		- 10.07	- 7.37	- 17.44	... ...
Aug. 1936 to Mar. 1937	+ 33.73	+ 4.58	+ 38.31	... Apr. 1937 to Aug. 1937
		- 16.55	- 4.24	- 20.79	... ...
Sept. 1937 to Feb. 1938	+ 8.09	- 2.01	+ 6.08	... Mar. 1938 to Aug. 1938
		- 14.55	- 10.69	- 25.24	... ...
Sept. 1938 to Feb. 1939	+ 19.87	- .91	+ 18.96	... Mar. 1939 to Aug. 1939
		- 12.32	- 10.72	- 23.04	... ...
Sept. 1939 to June 1940	+ 68.05	+ 44.02	+ 112.07	... July 1940 to Sept. 1940
		- 17.76	+ 10.83	- 6.93	... ...
Oct. 1940 to June 1941	+ 47.74	- 3.95	+ 43.79	... July 1941
		- 3.92	- 1.08	- 5.00	... ...
Aug. 1941 to June 1944	+ 686.89	+ 85.22	+ 771.91	... July 1944
		- 9.41	- 1.65	- 11.06	... ...
Aug. 1944 to June 1945	+ 215.01	+ 11.10	+ 226.11	... July 1945
		- 8.24	- 1.37	- 9.61	... ...
Aug. 1945 to Dec. 1945	+ 82.16	- 20	+ 81.96	... Jan. 1946
		- 11.20	+ 8.70	- 2.50	... ...
Feb. 1946 to June 1946	+ 38.15	- 12.62	+ 50.77	... July 1946 to Sept. 1946
		- 49.98	- 3.78	- 53.77	... ...
Oct. 1946 to Mar. 1947	+ 54.18	+ 3.35	+ 54.53	... Apr. 1947 to Sept. 1947
		- 68.44	- 9.30	- 77.74	... ...
Oct. 1947 to Mar. 1948	+ 130.77	- 3.04	+ 127.73	... ...
Apr. 1948	+ 15.81	- 1.02	+ 14.79	... May 1948 to Sept. 1948
		- 70.43	- 4.71	- 75.14	... ...
Oct. 1948 to Apr. 1949	+ 68.81	+ .90	+ 59.80	... May 1949 to Oct. 1949
		- 108.09	- 5.21	- 113.30	... ...
Nov. 1949 to Apr. 1950	+ 111.29	+ 8.56	+ 119.85	... May 1950 to Sept. 1950
		- 89.00	- 2.66	- 91.66	... ...
Oct. 1950 to May 1951	+ 190.89	+ 5.94	+ 196.83	... June 1951 to Oct. 1951
		- 156.29	- 9.84	- 166.13	... ...
Nov. 1951 to March 1952	+ 17.20	- 1.25	+ 15.95	... ...

Note.—Including Burma notes upto April 1942. Figures upto and including 1947-48 relate to undivided India; those since 1948-49 relate to the Indian Union and are net of adjustments made in respect of India notes and rupee coin returned from circulation in Pakistan since April 1948 and of India notes returned from circulation in Aden during the period October 1951 to March 1952. Figures of India rupee coin returned from circulation in Aden are negligible and no adjustments have been made in respect of those coins.

STATEMENT 22

ISSUE OF INDIA NOTES BY DENOMINATIONS SINCE 1913-14*

(Reference paragraph 25)

Year ended (March 31)	TOTAL NOTES ISSUED (Lakhs of Rupees)										Percentage to Gross Circulation of all notes except Rs. 10,000									
	Re.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Re.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
1914 ...	1	2	2.8	5	10	20	50	100	500†	1,000†	1	2	2.8	5	10	20	50	100	500	1,000
1915 ...	9.62	51	14.05	52.67	8	17.73	8	1.78	17.81	2.64	9.17	6.4	3.2	34.9	.2	3.5	35.0	5.2	18.0	
1916 ...	9.93	27	15.84	57.51	3	3.94	47.22	2.53	17.81	6.4	3.2	9.5	35.5	—	2.6	21.9	1.7	12.0		
1917 ...	10.88	13	16.27	56.71	2	3.76	40.05	54.28	2.03	14.68	6.2	2	3.5	34.2	—	1.3	34.2	1.0	8.8	
1918 ...	11.39	7	15.90	57.18	2	3.12	59.43	1.74	14.41	6.7	1.7	10.0	34.7	—	2.3	36.4	1.0	8.8		
1919 ...	4.16	4	15.83	68.57	2	2.91	63.87	1.32	13.11	2.5	—	9.3	33.4	—	1.8	40.5	—	9.9	7.6	
1920 ...	7.72	2	15.66	76.88	2	2.23	60.22	1.19	13.20	2.5	—	9.3	40.5	—	1.3	37.7	—	8.7		
1921 ...	4.4	2	16.49	72.86	2	2.15	60.09	1.10	13.42	3	—	9.2	45.2	—	1.3	35.4	—	7.7		
1922 ...	39	1	18.91	76.27	2	2.09	63.07	1.05	14.90	2	—	9.9	43.7	—	1.3	36.7	—	8.0		
1923 ...	36	1	23.77	74.55	2	2.01	65.76	9.9	12.69	2	—	10.7	43.2	—	1.2	35.7	—	8.4		
1924 ...	35	1	20.97	68.08	2	1.60	58.88	8.4	10.78	2	—	13.2	41.4	—	1.2	36.5	—	7.0		
1925 ...	34	1	18.92	64.20	2	1.53	54.86	7.7	10.76	2	—	12.9	42.6	—	1.0	36.3	—	6.7		
1926 ...	34	1	22.31	69.55	2	1.61	63.07	7.9	11.67	2	—	12.5	42.4	—	1.0	36.3	—	5.5		
1927 ...	33	1	19.95	61.83	2	1.28	57.65	6.8	11.63	2	—	13.0	40.3	—	1.0	37.6	—	6.9		
1928 ...	33	1	21.53	67.41	2	1.33	64.90	6.0	11.31	2	—	12.9	40.2	—	1.0	38.8	—	6.7		
1929 ...	32	1	23.11	67.83	2	1.26	60.94	5.6	17.72	2	—	13.5	39.5	—	1.0	35.5	—	10.3		
Year ended (Dec. 31)																				
1930 ...	32	1	25.28	69.31	1	1.34	62.35	5.3	12.84	.2	—	15.0	40.3	—	1.7	36.0	—	7.5		
1931 ...	33	1	31.71	77.34	1	1.36	69.07	4.8	12.11	.2	—	16.5	40.2	—	1.8	35.9	—	6.2		
1932 ...	32	1	32.46	76.08	1	1.25	62.44	4.5	11.01	.2	—	17.5	41.3	—	1.7	34.0	—	6.0		
1933 ...	32	1	33.84	77.89	1	1.01	62.81	3.7	10.51	.2	—	18.1	41.7	—	1.6	33.6	—	5.6		
1934 ...	32	1	45.63	98.29	1	1.92	75.57	3.4	13.79	.1	—	19.4	41.9	—	1.4	32.1	—	5.6		
1935 ...	32	1	44.03	97.83	1	61	80.44	3.3	17.64	.1	—	18.3	40.6	—	1.2	33.4	—	7.3		
1936 ...	32	1	62.23	134.89	1	51	113.13	3.6	28.20	.1	—	18.3	39.7	—	1.2	33.3	—	8.3		
1937 ...	32	1	106.74	218.12	1	46	202.82	5.2	54.07	—	—	18.3	37.4	—	1.1	34.8	—	9.3		
1938 ...	32	5.56	142.48	302.93	1	37	29.54	6.0	90.99	—	—	17.1	36.3	—	1.0	34.9	—	10.7		
1939 ...	32	9.73	148.80	363.38	1	30	38.51	3.2	100.93	—	—	1.0	36.7	—	—	38.0	—	10.7		
1940 ...	32	14.45	153.87	425.37	—	25	49.84	2.6	113.37	—	—	1.2	—	—	—	41.2	—	9.4		
1941 ...	32	25.42	197.09	546.40	—	19	48.71	—	—	—	—	12.8	35.3	—	—	—	—	—		
1942 ...	32	33.09	195.10	557.70	—	16	54.11	—	—	—	—	—	—	—	—	—	—	—		
1943 ...	32	29.21	180.53	533.23	—	12	45.21	—	—	—	—	—	—	—	—	—	—	—		
1944 ...	32	26.62	179.91	486.42	—	10	42.91	—	—	—	—	—	—	—	—	—	—	—		
1945 ...	31	25.15	166.03	483.87	—	8	500.98	—	—	—	—	—	—	—	—	—	—	—		
1946 ...	31	25.43	157.41	477.42	—	8	500.90	—	—	—	—	—	—	—	—	—	—	—		

*Excluding (1) the Government of India one rupee notes introduced in July 1940, which are treated for the purposes of the Reserve Bank of India Act as rupee coin, and (2) Rs. 10,000 notes (demonetised from January 12, 1946), which were mainly used by banks for making large adjusting payments. † Demonetised from January 12, 1946. § Including Burma notes.

STATEMENT 23

ABSORPTION OR RETURN OF SMALL COIN (ANNUAL) SINCE 1909-10

(Reference paragraph 27)

	Half rupees†	Four anna pieces‡	Two anna pieces§	One anna pieces	Half anna pieces*	Single piece**	(Thousands of Rupees)			Total	
							Half piece	Pie pieces	Total		
Average for 5 years											
1909-10 to 1913-14		15.75	18.59	21.02		10.51	83	83	62.53		
Average for 5 years											
1914-15 to 1918-19		37.24	29.54	27.86		5.63	66	1.18	1,02.11		
1919-20	88.15	60.33	44.05		21.18	90	1.21	2,15.82		
1920-21	-9.31	-23.24	-12.82		-2.22	42	1.15	-46.02		
1921-22	7.09	-2.40	3.28		52	53	1.11	-4.05		
1922-23	3.67	1.70	12.99		2.89	57	76	22.58		
1923-24	6.20	3.99	19.88		2.42	45	75	33.78		
1924-25	15.87	4.90	21.86		5.31	65	72	49.31		
1925-26	3.34	5.49	11.22		2.23	45	72	23.45		
1926-27	51	-6.10	11.62		4.05	45	86	11.39		
1927-28	7.03	4.62	22.02		5.05	54	85	40.11		
1928-29	8.89	6.57	22.12		5.04	57	74	43.93		
1929-30	-2.05	-1.88	10.36		5.77	57	79	13.56		
1930-31	-31.70	-18.88	-14.33		-1.30	58	55	-65.08		
1931-32	7.16	3.73	8.52		16	59	1.29	21.45		
1932-33	-6.11	2.13	10.82		1.48	60	1.02	9.94		
1933-34	14.01	16.04	23.27		10.28	74	1.10	65.44		
1934-35	1.54	12.93	20.35		11.88	83	76	48.29		
1935-36	-5.59	-5.58	7.76	13.06	11.31	81	59	22.36		
1936-37	22.50	15.97	22.20	25.48	12.92	70	66	1,00.52		
1937-38	25.00	10.26	16.08	19.21	14.52	89	85	86.81		
1938-39	2.40	-9.55	3.55	6.34	14.80	84	77	19.15		
1939-40	59.67	38.97	48.07	51.25	1, 208	97	97	2,20.98		
1940-41	1,52.76	1,02.27	71.56	76.14	23.27	1.14	1.06	4,28.20		
1941-42	1,56.83	1,26.47	87.91	99.25	4.16	29.31	1.18	1.16	5,06.27	
1942-43	3,81.92	2,86.87	2,21.82	2,02.27	56.89	12.69	37	75	11,63.58	
1943-44	5,40.61	5,16.98	3,33.70	3,10.98	1,14.33	29.45	8	13	18,46.26	
1944-45	5,51.02	5,40.15	3,07.06	3,43.33	1,30.02	48.78	-2	4	19,20.38	
1945-46	2,95.54	2,99.29	1,35.65	1,54.94	61.18	51.16	3	4	9,97.83	
1946-47	2,07.92	1,75.80	68.96	61.18	39.22	37.60	—	4	5,90.72	
1947-48	1,76.71	1,28.23	28.25	24.51	16.79	24.03	—	3	3,58.55	
1948-49	18.94	0.71	-12.60	-13.55	9.24	15.45	—	—	24.19	
1949-50	-67.01	-56.24	-47.47	-57.79	1.40	11.52	—	—	-2,15.79	
1950-51	-1,00.54	-97.53	-60.09	-65.54	-3.78	7.73	-7	3	-3,19.79	
1951-52	-1,06.57	-84.04	-61.78	-62.55	-1.73	11.28	6	1	-3,05.32	

Note.—Including figures for Burma upto January 1942. Figures from 1948-49 relate to the Indian Union; earlier figures relate to undivided India. †Since the inauguration of the Reserve Bank in 1935, silver half rupees have been included in statistics relating to small coin; including pure nickel half rupees introduced in May 1946. ‡Including pure nickel four anna pieces introduced in May 1946. §Including nickel two anna pieces introduced in 1917-18. *Nickel half anna pieces introduced in January 1942. **Including single pie pieces with a circular hole issued from February 1943.

STATEMENT 24

ABSORPTION OR RETURN (METAL-WISE) OF SMALL COIN

(Reference paragraph 27)

											(Lakhs of Rupees)					
											1948-49	1949-50	1950-51	1951-52		
I.	Standard Silver	1939-40	1941-42	1942-43	1943-44	1944-45	1945-46	1946-47	1947-48							
	8 annas	...	60	5	—16	—5	—2	—1	—2							
	4 annas	...	31	2	—10	—5	—2	—1	—1							
	Total Standard Silver L.C.in	91	7	—26	—10	—4	—2	—3	—							
II.	Quaternary Silver															
	8 annas	...	1,52	3,98	5,46	5,53	2,96	92	—57							
	4 annas	...	1,27	3,07	5,23	3,44	3,03	81	—57							
	Total Quaternary Silver Coin	2,79	7,05	10,69	10,97	5,99	1,73	—1,14	—							
III.	Pure Nickel															
	8 annas	...	...	...	...	...	...	...	...
	4 annas	...	...	...	...	...	...	...	...
	Total Pure Nickel Coin	...														
IV.	Nickel-Alloy*															
	4 annas	...	8	—2	—11	—2	—1	—3	—2							
	2 annas	...	48	88	2,22	3,34	3,07	1,36	69	28	—13	—3	—4	—4	—4	
	1 anna	...	51	99	2,02	3,11	3,43	1,65	61	25	—14	—47	—60	—62	—62	
	½ anna	...	4	57	1,14	1,30	61	39	17	9	1	—58	—66	—63	—63	
	Total Nickel-Alloy Coin	...	1,07	1,89	4,70	7,57	7,79	3,49	1,67	67	—20	—1,06	—1,34	—1,31	—1,31	
	Total Nickel Coin (III + IV)	...	1,07	1,89	4,70	7,57	7,79	3,49	3,83	4,90	—1,91	—44	—43	—43	—43	
V.	Copper **															
	Single Piece	...	21	29	13	29	49	51	38	24	15	12	8	11		
	Half Piece	...	1	1	—	—	—	—	—	—	—	—	—	—		
	Pie Pieces	...	1	1	1	—	—	—	—	—	—	—	—	—		
	Total Copper** Coin	...	28	31	14	29	49	51	38	24	15	12	8	11		
	VI.	Total Small Coin	...	2,21	5,08	11,64	18,46	18,20	9,98	5,91	3,99	24	—2,16	—3,20	—3,05	

Note.—Including figures for Burma upto January 1942. Figures from 1948-49 relate to the Indian Union only, while earlier figures relate to

STATEMENT 25

INDICES OF THE CONSOLIDATED POSITION OF SCHEDULED BANKS

Average of Friday Figures	Demand Liabilities	Time Liabilities	Total Demand and Time Liabilities	Cash	Balances with Reserve Bank	Excess of 5 over the Statutory Minimum	Total Cash and Balances with Reserve Bank	Percent-age of 7 to 3	Total Advances and Bills Discounted	Percent-age of 9 to 3									
									9										
UNDIVIDED INDIA																			
(Base : 1938-39=100)																			
1939-40	107.1	98.7	103.3	105.5	108.9	113.3	108.0	104.5	109.1	105.6									
1940-41	125.8	98.0	113.2	124.6	227.3	314.9	197.8	174.9	104.7	92.5									
1941-42	161.6	100.1	133.6	143.6	227.6	316.0	145.1	103.6	103.6	77.6									
1942-43	247.4	100.9	160.7	203.3	350.9	503.9	308.6	170.7	84.4	46.7									
1943-44	368.8	138.2	283.9	322.4	400.7	498.6	378.3	143.4	139.5	52.9									
1944-45	412.3	187.9	343.0	428.1	562.0	748.7	523.6	152.7	203.0	59.2									
1945-46	528.7	251.2	402.5	545.5	596.2	682.3	560.2	159.2	259.7	64.5									
1946-47	586.0	312.8	461.7	644.4	511.6	503.4	549.7	119.1	368.9	79.9									
1947-48	570.8	332.9	462.6	625.7	634.8	769.0	632.2	136.7	383.3	52.9									
INDIAN UNION																			
(Base : 1948-49=100)																			
1949-50	...	88.6	89.7	89.0	91.9	85.9	82.9	87.9	98.8	100.2									
1950-51	...	88.8	91.6	92.5	97.3	68.6	83.6	93.2	104.0	112.6									
1951-52	...	88.0	95.7	90.4	99.5	74.8	59.2	82.9	91.7	115.9									
April	1951	91.3	96.6	93.0	93.2	67.9	41.8	76.2	82.0	128.4									
May	"	89.8	97.0	92.1	96.0	64.4	35.6	74.8	81.1	131.3									
June	"	88.6	96.5	91.0	105.1	71.1	51.0	82.3	90.3	142.6									
July	"	90.7	94.9	92.0	103.3	83.8	75.7	90.2	98.0	140.3									
August	"	91.3	94.9	92.4	103.7	94.3	96.9	97.4	105.3	134.8									
September	"	80.4	94.4	91.6	101.3	99.1	107.8	99.9	109.0	119.0									
October	"	88.6	94.8	90.5	105.3	95.9	102.8	99.0	109.3	125.7									
November	"	86.4	96.0	89.4	101.6	81.1	73.8	87.8	98.2	114.6									
December	"	85.9	96.2	89.1	102.3	62.4	35.3	75.5	84.7	126.6									
January	1952	84.8	96.5	88.4	95.7	59.9	31.0	71.6	81.0	130.4									
February	"	84.8	96.1	88.3	92.8	56.4	23.9	68.4	77.4	133.8									
March	"	83.9	94.2	87.1	92.3	69.8	32.0	70.4	80.9	135.2									

Note.—Excluding figures for Burma.

STATE

WEEKLY CONSOLIDATED POSITION OF
(Reference)

1951-52	No. of Reporting Banks	Demand Liabilities*	Time Liabilities*	Total Liabilities* (2+3)	Inter-bank Borrowings		Net Liabilities (4-5-6)	Borrowings from Reserve Bank	Cash in India	Balances with Reserve Bank	Excess of 10 over the Statutory Minimum	
		1	2	3	4	5	6	7	8	9	10	11
Friday												
1 April	6	93	618,11	291,36	909,47	21,77	8	887,62	12,57	34,25	58,60	21,87
2 "	13	93	620,43	292,10	912,53	25,54	16	886,83	9,85	33,82	49,26	12,40
3 "	20	94	616,61	294,58	911,20	25,42	51	885,27	9,35	35,59	49,84	13,12
4 "	27	94	608,79	296,13	904,92	24,56	56	879,80	8,39	36,17	50,54	14,18
5 May	4	94	611,06	296,31	907,38	26,36	66	880,36	12,00	35,65	51,77	15,29
6 "	11	94	609,58	294,27	903,86	25,53	71	877,62	18,55	36,07	49,60	13,24
7 "	18	93	605,21	293,45	898,66	22,51	71	875,44	14,12	36,75	47,80	11,67
8 "	25	93	598,44	294,69	893,13	19,34	71	873,08	12,56	35,57	48,09	12,27
9 June	1	93	602,69	293,86	896,55	20,10	73	875,72	11,45	35,18	52,86	16,85
10 "	8	93	596,35	294,13	890,48	18,58	78	871,12	13,30	35,99	51,25	15,55
11 "	15	93	596,22	294,32	890,55	18,42	78	871,35	11,40	38,07	54,69	18,99
12 "	22	93	595,83	294,57	890,39	15,08	75	874,56	9,51	38,23	56,27	20,59
13 "	29	93	596,17	289,65	885,82	13,49	78	871,55	14,56	50,48	57,51	21,91
14 July	6	93	602,05	288,43	890,49	15,59	78	874,12	9,46	37,96	59,71	23,84
15 "	13	93	610,46	287,34	897,80	16,58	78	880,44	6,79	38,95	59,17	22,90
16 "	20	93	616,15	288,26	904,41	18,91	48	885,02	56	39,23	64,46	27,88
17 "	27	93	619,10	289,27	908,37	18,40	38	889,59	48	38,83	73,62	30,88
18 August	3	93	617,33	288,30	905,63	18,45	38	886,80	44	38,11	76,68	40,05
19 "	10	93	610,81	289,13	899,93	21,98	38	877,57	44	37,25	66,45	30,13
20 "	17	92	614,46	288,57	903,02	22,07	39	880,56	47	40,09	73,44	30,94
21 "	24	92	617,77	287,61	905,38	24,05	44	888,89	58	39,20	70,84	34,20
22 "	31	93	619,41	288,31	907,75	24,80	69	882,26	44	39,85	73,83	37,09
23 September	7	93	615,67	287,52	903,19	25,66	69	876,84	45	37,42	72,39	35,85
24 "	14	93	616,07	287,60	903,87	24,18	69	878,80	46	39,69	72,32	35,77
25 "	21	93	606,04	285,59	891,63	20,67	73	870,23	44	38,28	70,49	40,48
26 "	28	93	600,75	286,95	887,70	21,27	1,08	865,35	51	37,31	82,42	46,65
27 October	5	93	597,36	287,74	885,10	23,35	69	861,08	65	38,90	78,43	42,81
28 "	12	93	599,76	286,59	886,35	25,95	53	859,87	1,00	41,30	68,92	33,20
29 "	19	93	598,85	289,10	887,95	22,65	43	864,87	55	40,42	72,51	36,70
30 "	26	93	594,87	289,24	884,11	21,81	47	861,83	48	37,34	74,18	38,65
31 November	2	93	587,12	289,48	876,60	22,75	48	853,37	59	40,40	71,25	36,11
32 "	9	94	579,58	291,57	871,16	21,43	48	849,25	58	38,17	60,40	25,59
33 "	16	94	582,26	292,14	874,40	22,01	48	851,91	47	38,10	50,54	24,58
34 "	23	94	582,06	292,27	874,32	22,64	48	851,20	34	36,95	60,79	25,85
35 "	30	94	583,47	293,70	877,27	23,05	51	852,81	32	36,94	58,74	23,60
36 December	7	94	581,46	292,27	873,73	25,91	48	847,34	39	35,59	52,87	17,95
37 "	14	94	585,41	291,41	876,81	27,60	60	848,55	3,45	38,03	45,96	10,86
38 "	21	94	575,28	292,43	867,71	24,95	63	842,13	6,61	38,20	46,59	11,98
39 "	28	94	576,06	293,22	869,28	22,32	75	846,21	9,66	43,65	45,86	11,20
40 January	4	94	576,15	292,77	868,92	25,47	75	842,70	21,39	39,13	47,83	13,17
41 "	11	94	569,56	292,59	862,14	25,28	81	836,06	23,83	35,70	43,31	8,98
42 "	18	94	570,99	295,19	866,18	27,75	38	838,05	28,38	35,65	47,68	13,23
43 "	25	94	570,91	292,93	863,84	29,28	48	834,08	25,58	33,06	44,65	10,24
44 February	1	94	575,71	292,22	867,94	30,45	68	838,81	34,27	34,21	44,36	9,73
45 "	8	94	572,40	293,25	865,68	32,47	74	832,45	38,69	34,98	43,14	8,66
46 "	15	94	565,55	291,31	856,86	22,66	84	833,36	41,48	34,51	43,07	8,96
47 "	22	94	567,83	291,97	859,80	22,16	82	836,82	38,42	34,60	42,33	8,10
48 "	29	94	577,01	291,84	868,85	25,09	61	843,15	38,12	35,70	43,28	8,60
49 March	7	94	566,53	290,10	856,62	28,06	50	827,46	48,11	33,63	44,73	10,60
50 "	14	94	567,20	285,91	853,11	28,09	60	824,42	62,04	36,10	46,92	12,84
51 "	21	94	561,63	285,35	846,98	27,26	56	818,16	60,02	34,68	46,80	13,01
52 "	28	94	567,46	283,51	850,98	26,35	95	824,68	54,13	33,97	44,78	10,73

Including inter-bank borrowings.

MENT 26

SCHEDULED BANKS, 1951-52

paragraph 30)

(Lakhs of Rupees)

Total Cash and Balances with Reserve Bank (9 + 10)	Percentage of 12 to 4	Balances with other Banks in Current Account	Invest- ments in Govern- ment Securi- ties**	Percentage of 15 to 4	Money at Call and Short Notice†	Inland Bills Dis- counted†	Advances†	Total Scheduled Bank Credit	Percentage of 20 to 4	
		12	13	14	15	16	17	18	19	21
92.85	10.2	..	..	..	..	13.22	542.74	555.98	61.1	1
83.09	9.1	..	..	..	..	12.81	554.15	566.98	62.1	2
85.43	9.4	..	..	..	..	12.14	558.07	570.21	62.6	3
86.70	9.6	..	..	..	..	11.51	562.11	573.83	63.4	4
87.42	9.6	..	..	..	..	11.36	572.82	584.18	64.4	5
85.67	9.5	..	..	..	..	11.00	574.60	585.61	64.8	6
84.55	9.4	..	..	..	..	10.52	566.89	577.41	64.3	7
83.66	9.4	..	..	..	..	9.95	560.82	570.77	63.9	8
88.04	9.8	..	..	..	..	9.53	566.81	576.34	64.3	9
86.34	9.7	..	..	..	..	9.31	564.28	573.58	64.4	10
92.76	10.4	..	..	..	..	9.01	559.31	568.82	63.8	11
94.50	10.6	..	..	..	..	8.93	550.15	559.08	62.8	12
107.99	12.2	..	..	..	..	8.91	541.51	550.42	62.1	13
97.67	11.0	..	..	..	..	8.90	548.69	557.58	62.6	14
98.13	10.9	..	..	..	..	9.18	544.94	554.12	61.7	15
103.68	11.5	..	..	..	..	9.33	534.41	543.74	60.1	16
112.45	12.4	..	..	..	..	9.45	524.67	534.12	58.8	17
114.79	12.7	..	..	..	..	9.41	522.89	532.30	58.3	18
103.71	11.5	..	..	..	..	9.48	522.68	532.18	59.1	19
113.53	12.6	..	..	..	..	9.53	516.03	525.58	58.2	20
110.04	12.2	..	..	..	..	9.48	510.93	520.41	57.5	21
113.67	12.5	..	..	..	..	9.41	507.25	518.68	56.9	22
109.81	12.2	..	..	..	..	9.27	511.69	520.98	57.7	23
112.01	12.4	..	..	..	..	8.97	505.52	514.49	56.9	24
114.77	12.9	..	..	..	..	8.82	491.07	499.88	56.1	25
119.73	13.5	..	..	..	..	7.97	490.08	498.05	56.1	26
117.34	13.3	..	..	..	..	8.35	498.88	507.23	57.3	27
110.23	12.4	..	..	..	..	8.49	504.23	512.72	57.8	28
112.93	12.7	..	..	..	..	8.86	494.30	503.18	56.7	29
111.52	12.6	..	..	..	..	9.83	489.91	498.75	56.5	30
111.86	12.7	12.29	314.44	35.9	11.58	37.00	460.97	509.54	58.1	31
98.57	11.3	12.43	314.04	36.0	10.81	38.00	463.49	512.30	58.8	32
97.64	11.2	12.68	313.60	35.9	11.96	38.73	462.11	512.80	58.6	33
97.74	11.2	13.21	312.30	35.7	12.34	37.77	461.56	511.67	58.5	34
95.68	10.9	12.86	312.57	35.6	13.50	38.36	465.76	517.63	59.0	35
88.45	10.1	12.07	310.41	35.5	10.74	38.78	479.99	529.51	60.6	36
83.99	9.6	12.56	309.77	35.3	11.46	39.65	491.94	543.04	61.9	37
82.87	9.6	12.85	306.52	35.3	10.20	37.76	498.29	546.25	63.0	38
89.62	10.3	14.21	307.48	35.4	11.96	36.82	505.71	554.48	63.8	39
88.97	10.0	13.39	293.60	33.8	11.58	40.40	518.57	570.55	65.7	40
79.00	9.2	11.72	303.88	35.2	11.15	37.72	528.74	577.61	67.0	41
88.33	9.6	11.27	300.87	34.7	11.41	36.68	526.64	574.68	66.3	42
77.71	9.0	10.27	299.85	34.7	9.91	37.30	532.13	579.34	67.1	43
78.57	9.1	10.23	299.79	34.5	9.49	38.19	545.10	592.78	68.3	44
78.18	9.0	10.27	298.33	34.5	8.91	37.61	547.92	594.44	68.7	45
77.58	9.1	11.80	298.80	34.9	10.18	37.20	539.38	586.77	68.5	46
76.93	8.9	11.89	298.39	34.7	10.27	37.57	538.24	586.08	68.2	47
78.98	9.1	11.66	297.56	34.2	14.61	46.04	531.78	592.42	68.2	48
78.86	9.1	11.32	296.62	34.6	13.04	47.43	539.24	599.71	70.0	49
83.01	9.7	11.10	295.86	34.7	12.54	52.19	532.71	597.44	70.0	50
81.48	9.6	10.82	295.78	34.9	11.07	51.37	534.01	596.45	70.4	51
78.75	9.3	11.44	296.07	34.8	12.16	50.41	530.08	592.65	69.6	52

** Including Treasury bills and Treasury Deposit Receipts. † 'Advances' exclude 'Money at Call and Short Notice' and 'Inland Bills Purchased' from November 2, the latter being included under 'Inland Bills Discounted' as from

STATE

CONSOLIDATED POSITION OF

Average of Friday Figures	No. of Reporting Banks at the end of period	Demand Liabilities	Percent-age of (b) to (f)	Time Liabilities	Savings Deposits†	Total Demand and Time Liabilities	Inter-bank Borrowings			Net Liabilities	Borrowings from Reserve Bank
		(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)
UNDIVIDED											
1 1937-38	... 50	126,86	55·0	103,99	—	230,85	..	..	..	..	..
2 1938-39	... 51	123,81	54·5	103,30	—	227,11	..	..	..	..	..
3 1939-40	... 55	132,64	56·5	101,95	38,86	234,59	..	..	..	..	..
4 1940-41	... 58	155,79	60·6	101,19	37,58	256,98	..	..	..	..	..
5 1941-42	... 58	200,13	65·9	103,37	37,24	303,50	..	..	..	..	..
6 1942-43	... 61	306,28	74·6	104,21	48,30	410,49	..	..	..	..	..
7 1943-44	... 75	456,63	76·2	142,78	68,03	599,41	..	..	..	..	..
8 1944-45	... 84	584,80	75·1	194,12	90,58	778,92	..	..	..	..	..
9 1945-46	... 91	654,53	71·6	259,52	121,56	914,05	..	..	..	..	..
10 1946-47	... 96	725,54	69·2	323,11	133,04	1,048,65	..	..	..	..	..
11 1947-48	... 101	706,65	67·3	343,89	149,71	1,060,54	..	..	..	..	..
INDIAN											
12 1948-49	... 94	674,56	68·9	303,88	140,39	978,44	26,59*	49*	27,08*	951,36	3,33
13 1949-50	... 94	597,79	68·7	272,59	133,95	870,38	26,06	48	26,54	843,84	7,43
14 1950-51	... 93	599,13	68·3	278,45	137,85	877,59	20,75	1,01	21,76	855,83	4,46
15 1951-52	... 94	593,73	67·1	290,82	135,66	884,55	23,20	61	23,81	860,74	13,82
16 April 1950	... 95	598,90	69·10	267,87	136,48	866,77	26,50	97	27,47	839,30	9,56
17 May "	... 95	589,62	68·43	272,04	137,20	861,66	20,99	1,02	22,01	839,65	9,28
18 June "	... 95	584,56	68·08	274,11	138,74	858,67	14,91	1,09	16,00	842,67	8,96
19 July "	... 95	594,61	68·50	273,41	139,05	868,01	16,30	1,37	17,67	850,34	7,64
20 August "	... 95	592,81	68·43	273,44	139,44	866,25	16,14	1,44	17,58	848,67	3,80
21 Sept. "	... 95	596,26	68·42	275,21	139,12	871,48	16,55	1,38	17,93	853,55	2,29
22 October "	... 95	600,60	68·60	274,88	138,44	875,47	18,21	1,33	19,54	855,93	1,64
23 Nov. "	... 96	600,23	68·35	277,99	138,19	878,23	18,55	1,55	20,10	858,13	98
24 Dec. "	... 94	598,98	68·02	281,58	138,63	880,56	18,92	1,54	20,46	860,10	96
25 Jan. 1951	... 94	608,50	68·08	285,35	138,48	893,85	25,91	23	26,14	867,71	59
26 Feb. "	... 94	613,30	67·77	291,68	138,97	905,07	29,36	14	29,50	875,57	69
27 March "	... 93	612,24	67·73	291,71	137,85	903,95	27,82	9	27,91	876,04	6,85
28 April "	... 94	615,99	67·73	293,54	138,95	909,53	24,32	32	24,84	884,89	10,04
29 May "	... 93	606,08	67·29	294,88	138,40	900,76	23,43	69	24,12	876,64	14,31
30 June "	... 93	597,45	67·07	293,31	139,41	890,76	17,31	76	17,89	872,87	12,04
31 July "	... 93	611,94	67·97	288,33	139,62	900,27	17,37	60	17,97	882,30	4,32
32 August "	... 93	615,96	68·11	288,38	140,05	904,35	22,27	45	22,72	881,63	48
33 Sept. "	... 93	600,63	68·00	286,92	139,85	896,55	22,95	80	23,75	872,80	46
34 Oct. "	... 93	597,71	67·47	288,17	138,81	885,88	23,44	53	23,97	861,91	67
35 Nov. "	... 94	582,90	66·64	291,85	138,03	874,75	22,56	49	23,05	851,70	46
36 Dec. "	... 94	579,55	66·47	292,33	137,63	871,88	25,19	63	26,82	846,06	5,03
37 Jan. 1952	... 94	571,90	66·09	293,37	137,25	865,27	26,95	60	27,55	837,72	24,80
38 Feb. "	... 94	571,70	66·18	292,12	137,24	863,82	26,57	73	27,30	836,52	38,20
39 March "	... 94	565,70	66·40	286,22	135,66	851,92	27,34	65	28,00	823,92	56,07

Note.—Data are exclusive of Burma. †Annual figures for savings deposits are as on the last Friday of March and monthly figures as on the last Friday of the month. For the purpose of Section 42 of the Reserve Bank of India Act, savings deposits are classified under demand or time liabilities according to the rules of the various scheduled banks in respect of withdrawal of these deposits. *For nine months ending March 1949.

MENT 27

SCHEDULED BANKS SINCE 1937-38

(Lakhs of Rupees)

Cash	Balances with Reserve Bank	Excess of (m) over the Statutory Minimum	Total Cash and Balances with Reserve Bank	Per-cent-age of (o) to (f)	Balances with other Banks in Current Account		Invest-ments in Govern-ment Securi-ties††	Per-cent-age of (r) to (f)	Money at Call and Short Notice‡	Inland Bills Dis-counted‡‡	Advances‡	Total Sched-uled Bank Credit (l+u+v)	Per-cent-age of (w) to (f)
					(p)	(q)							
(l)	(m)	(n)	(o)	(p)	(q)	(r)	(s)	(t)	(u)	(v)	(w)	(x)	
INDIA													
6,37	24,57	15,78	30,94	13·40	..	..	..	..	6,00	108,15	114,15	49·45	1
6,38	15,88	7,62	22,26	9·80	..	..	..	..	4,60	111,34	115,94	51·05	2
6,73	17,30	8,63	24,03	10·24	..	..	..	..	4,97	121,47	126,44	53·90	3
7,95	36,09	26,28	44,04	17·14	..	..	..	..	3,69	117,70	121,39	47·24	4
9,16	36,15	24,08	32,31	10·65	..	..	..	..	4,84	115,32	120,16	39·59	5
12,97	55,73	38,33	68,70	16·73	..	..	..	..	2,18	95,68	97,86	23·83	6
20,57	63,63	37,99	84,20	14·05	..	..	..	..	5,59	156,14	161,73	26·98	7
27,31	89,25	56,90	116,56	14·96	..	..	..	..	11,16	224,22	235,38	30·22	8
34,80	89,91	51,99	124,71	13·64	..	..	..	..	16,05	285,07	301,12	32·94	9
41,11	81,25	38,51	122,36	11·67	..	..	..	..	21,32	406,39	427,71	40·79	10
39,92	100,81	58,60	140,73	13·40	..	..	..	..	16,82	427,54	444,36	42·30	11
UNION													
37,51	76,63	36,82	114,14	11·67	..	..	..	..	16,44	424,85	441,29	45·10	12
34,47	65,85	30,51	100,32	11·53	..	..	..	..	15,35	426,74	442,09	50·79	13
34,68	60,78	25,25	95,46	10·88	..	..	..	..	11,87	447,03	458,90	52·29	14
37,33	57,29	21,79	94,62	10·70	11,91§	303,48§	34·31	11,40§	22,81	523,59	551,20	62·32	15
34,27	48,70	13,49	83,06	9·58	..	..	..	..	14,43	406,70	481,22	55·52	16
34,92	50,96	16,04	85,88	9·97	..	..	..	..	11,92	461,71	473,03	54·97	17
36,08	53,16	18,45	89,84	10·46	..	..	..	..	11,11	448,44	459,55	53·52	18
34,25	64,97	29,77	99,22	11·43	..	..	..	..	11,04	436,10	447,14	51·51	19
33,94	65,02	20,91	98,96	11·42	..	..	..	..	10,89	422,08	432,97	49·98	20
32,85	74,93	30,61	107,58	12·34	..	..	..	..	9,99	408,97	418,96	48·08	21
34,41	74,01	38,48	108,42	12·39	..	..	..	..	9,63	403,72	413,35	47·21	22
34,63	75,58	40,01	110,21	12·55	..	..	..	..	11,95	400,03	411,98	46·91	23
35,04	65,50	29,92	100,54	11·42	..	..	..	..	13,18	415,48	428,66	48·68	24
34,98	50,81	14,88	85,79	9·60	..	..	..	..	12,98	466,33	479,31	53·62	25
35,33	50,32	13,82	85,65	9·46	..	..	..	..	12,33	510,56	522,89	57·77	26
34,91	54,13	17,68	89,04	9·85	..	..	..	..	13,07	522,35	535,42	59·23	27
34,96	52,06	15,39	87,02	9·57	..	..	..	..	12,42	554,27	566,69	62·31	28
30,01	49,32	13,12	85,33	9·47	..	..	..	..	10,71	568,78	579,49	64·33	29
39,41	54,52	18,78	93,93	10·54	..	..	..	..	9,14	556,41	565,55	63·49	30
38,74	64,24	27,88	102,98	11·44	..	..	..	..	9,21	538,18	547,39	60·80	31
38,90	72,25	35,68	111,15	12·29	..	..	..	..	9,46	515,95	525,41	58·10	32
38,17	75,91	39,69	114,08	12·72	..	..	..	..	8,76	499,59	508,35	56·70	33
39,49	73,51	37,86	113,00	12·76	..	..	..	..	8,88	496,83	505,71	57·09	34
38,11	62,15	27,17	100,26	11·46	12,69	313,39	35·83	12,04	37,97	482,78	512,79	58·62	35
38,39	47,82	13,00	86,21	9·89	12,92	308,54	35·39	11,09	38,25	493,98	543,32	62·32	36
35,89	45,87	11,41	81,76	9·45	11,66	298,55	34·62	11,01	38,03	528,40	575,53	66·51	37
34,80	43,24	8,81	78,04	9·03	11,13	298,57	34·56	10,69	39,32	540,49	590,50	68·36	38
34,80	45,80	11,79	80,40	9·44	11,12	296,08	34·75	12,20	50,35	534,01	596,56	70·03	39

† Including Treasury bills and Treasury Deposit Receipts.

‡ Advances exclude 'Money at Call and Short Notice' and 'Inland Bills Purchased' from November 1951, the latter being included under 'Inland Bills Discounted' as from that month.

§ Average of weeks from November 1951.

STATEMENT 28

**SEASONAL TRENDS IN SELECTED ITEMS OF SCHEDULED BANKS'
LIABILITIES AND ASSETS SINCE 1935-36**

(Reference paragraph 30)

Period	Demand Liabilities	Time Liabilities	Total of 1 and 2	Cash	Balances with Reserve Bank	Total of 4 and 5	Cash ratio* at the end of period	Advances†	Bills Discounted‡	Total of 8 and 9	Advance ratio at the end of period
	1	2	3	4	5	6	7	8	9	10	11

INDIA AND BURMA

July 5, 1935 to November 22, 1935 November 22, 1935 to April 10, 1936	+ 17.09 - 7.60	- 27 + 3.65	+ 16.82 - 3.95	+ 49 + 4.37	+ 3.62 + 3.82	+ 9.11 18.05	16.06 18.05	- 22.71 + 18.24	- 62 + 2.98	- 23.33 + 21.22	37.05 47.34
April 10, 1936 to August 28, 1936 August 28, 1936 to April 16, 1937	+ 9.11 + 9.73	- 10 + 4.66	+ 9.01 + 14.39	+ 53 + 13	- 1.29 - 8.31	- 76 - 8.18	17.04 12.63	- 12.61 + 38.57	- 3.52 + 5.90	- 16.13 + 44.47	38.45 54.42
April 16, 1937 to December 17, 1937 December 17, 1937 to April 15, 1938	- 5.15 - 6.24	+ 3.56 + 26	- 1.59 - 5.98	+ 1.50 - 1.35	+ .56 - 13.48	+ 2.06 - 14.83	13.61 7.68	- 21.06 + 22.26	- 2.29 + 1.02	- 23.35 + 23.28	45.14 56.13
April 15, 1938 to November 18, 1938 November 18, 1938 to March 31, 1939	+ 7.53 - 3.61	- 3.19 + 1.01	+ 4.34 - 2.80	+ 1.43 - 1.51	+ 4.90 - 6.01	+ 6.33 - 7.52	10.17 7.12	- 23.74 + 26.21	- 3.53 + 4.33	- 27.27 + 30.54	43.79 57.10
March 31, 1939 to August 25, 1939 August 25, 1939 to March 29, 1940	+ 11.91 + 7.80	- 43 + 2.01	+ 11.43 + 0.81	+ 1.07 + 4	+ 15.77 - 9.44	+ 16.84 - 9.40	13.54 9.41	- 22.74 + 51.19	- 3.83 + 2.65	- 26.62 + 53.84	43.80 62.91
March 29, 1940 to November 22, 1940 November 22, 1940 to May 9, 1941	+ 24.62 + 9.68	- 8.18 + 5.75	+ 16.44 + 15.43	+ 1.45 + 42	+ 32.09 - 24.46	+ 33.54 - 24.04	20.75 11.64	- 57.87 + 34.23	- 4.58 + 4.54	- 62.45 + 38.77	36.47 47.39
May 9, 1941 to November 14, 1941 November 14, 1941 to January 2, 1942	+ 47.83 - 86	+ 5.65 - 73	+ 53.48 - 1.59	+ 1.30 + 1.96	+ 22.29 - 15.65	+ 23.59 - 13.69	16.68 12.77	- 25.62 + 17.47	- 2.31 + 2.02	- 27.93 + 19.49	32.35 38.18

UNDIVIDED INDIA

<i>January 2, 1942 to September 25, 1942</i>	+ 94.14	- 6.73	+ 87.41	+ 89	- 32.63	+ 33.43	13.43	- 43.39	- 4.67	- 43.06	19.13
<i>September 25, 1942 to July 9, 1943</i>	+ 108.57	+ 32.98	+ 142.55	+ 6.68	- 11.05	- 4.37	12.93	+ 68.25	+ 2.95	+ 71.20	27.02
<i>July 9, 1943 to July 23, 1943</i>	+ 7.62	+ 1.01	+ 8.63	- 1.54	+ 11.51	+ 9.97	14.49	- 5.47	- 5.3	- 6.00	25.55
<i>July 23, 1943 to March 31, 1944</i>	+ 93.00	+ 34.41	+ 127.41	+ 7.04	- 16.08	- 9.04	10.52	+ 81.04	+ 6.57	+ 87.61	33.49
<i>March 31, 1944 to October 27, 1944</i>	+ 79.33	+ 27.55	+ 106.83	+ 3.00	+ 55.89	+ 53.89	16.48	- 25.69	- 27	- 25.96	25.77
<i>October 27, 1944 to July 20, 1945</i>	+ 20.14	+ 45.75	+ 65.89	+ 4.96	- 36.23	- 31.27	11.61	+ 90.12	+ 4.62	+ 84.74	34.75
<i>July 20, 1945 to September 28, 1945</i>	+ 20.97	+ 14.69	+ 35.66	+ 1.32	+ 43.04	+ 44.36	16.08	- 39.26	- 1.98	- 47.24	28.80
<i>September 28, 1945 to May 10, 1946</i>	+ 62.59	+ 60.54	+ 113.13	+ 3.40	- 29.33	- 25.93	11.73	+ 131.35	+ 7.58	+ 138.93	39.28
<i>May 10, 1946 to July 5, 1946</i>	+ 10.51	+ 6.95	+ 16.46	+ 7.17	+ 27.51	+ 34.63	14.90	- 24.13	- 4.9	- 24.62	36.27
<i>July 5, 1946 to February 7, 1947</i>	+ 2.77	+ 30.30	+ 33.07	- 4.55	- 44.98	- 49.54	9.79	+ 117.94	+ 4.39	+ 122.33	46.64
<i>February 7, 1947 to October 10, 1947</i>	- 19.46	- 2.50	- 21.96	- 71	+ 50.27	+ 49.56	14.75	- 73.07	- 10.21	- 83.28	39.85
<i>October 10, 1947 to April 16, 1948</i>	+ 74.37	- 7.56	+ 66.81	+ 1.54	- 31.89	- 30.35	11.12	+ 82.93	+ 4.27	+ 87.20	45.78
<i>167</i>											

INDIAN UNION

<i>April 16, 1948 to September 24, 1948</i>	- 4.12	- 9.14	- 13.26	+ 1.33	+ 19.52	+ 20.85	13.19	- 53.58	- 4.28	- 57.86	40.57
<i>September 24, 1948 to May 6, 1949</i>	- 66.01	- 19.96	- 86.57	- 2.60	- 41.19	- 43.79	9.62	+ 107.22	+ 4.32	+ 111.54	56.75
<i>May 6, 1949 to November 25, 1949</i>	- 27.71	- 16.95	- 43.66	- 1.49	+ 28.80	+ 27.31	13.27	- 116.14	- 3.00	- 119.14	45.81
<i>November 25, 1949 to April 21, 1950</i>	+ 7.13	+ 20	+ 7.33	+ 1.58	- 32.98	- 31.39	9.55	+ 91.50	- 63	+ 90.87	55.87
<i>April 21, 1950 to November 24, 1950</i>	+ 2.09	+ 9.76	+ 11.85	- 32	+ 33.70	+ 33.37	13.21	- 79.76	- 1.05	- 80.81	45.96
<i>November 24, 1950 to May 11, 1951</i>	+ 6.71	+ 15.18	+ 21.89	+ 94	- 31.74	- 30.80	9.48	+ 182.19	- 1.91	+ 180.29	64.79
<i>May 11, 1951 to October 26, 1951</i>	- 14.71	- 5.03	- 19.74	+ 1.27	+ 24.58	+ 25.85	12.61	- 84.69	- 1.17	- 85.86	56.53
<i>October 26, 1951 to March 7, 1952</i>	- 28.34	+ 86	- 27.49	- 3.71	- 29.45	- 33.16	9.15	+ 62.36	+ 37.80	+ 99.96	70.91

Note.—Slack season periods have been indicated in italics. * Percentage of Cash and Balances with the Reserve Bank of India to Total Liabilities. † Advances exclude 'Inland Bills Purchased' from November 1951, which are included under 'Bills Discounted' as from that month. ‡ Percentage of Advances and Bills Purchased and Discounted to Total Liabilities.

STATE

**MONEY RATES IN
(Reference
Bazaar Bill)**

Bank Rate*	Imperial Bank of India Hundī Rate†		Call Money Rate				Calcutta	
			Calcutta		Bombay		Calcutta	
	Highest	Lowest	Highest	Lowest	Highest	Lowest	Highest	Lowest
1935-36 ...	3	3½	3	1	3½	4	8	5
(3½ upto Nov.)	Apr.-Nov.	Dec.-Mar.	Apr.-July	Feb.-Mar.	April	Sept.-Mar.	Apr.-June & Jan.-Mar.	
1936-37 ...	3	3	½	½	1½	½	6	5
1937-38 ...	3	3	Apr.-June	July-Mar.	Jan.	Sept.-Nov.	8	5
			½	½	1½	½	April	Aug.-Dec.
			Apr.-July	Aug.-Jan.	April	Aug.-Mar.	Nov.-Mar.	Apr.-Sept.
			Feb.-Mar.					
1938-39 ...	3	3	2½	½	2½	½	8	6
			Jan.-Feb.	July	Jan.-Feb.	July, Sept.	Apr.-June	July-Mar. & Nov.
1939-40 ...	3	3½	3	2	2½	½	7	6
	Nov.-Mar.	Apr.-Oct.	Apr.-May	Aug.-Sept.	April	Aug.-Sept.		
1940-41 ...	3	3½	3	½	1½	½	7	6
	Apr.-Jan.	Feb.-Mar.	April & June	May & July-Mar.	April	Aug.-Mar.		
1941-42 ...	3	3	½		½		7	6
					April & Jun.	May-Dec. Feb.-Mar.		
1942-43 ...	3	3	½		½		7	6
1943-44 ...	3	3	½		½		7	6
1944-45 ...	3	3	½		½		7	6
1945-46 ...	3	3	½		April	May-Mar.	7	6
1946-47 ...	3	3	½		1	½	March	Apr.-Mar.
1947-48 ...	3	3	½		½		10	6
					Aug.-Nov.	July-Aug.	Dec.-Mar.	Apr.-Nov.
							10	9
					Larger Banks§		Smaller Banks	
1948-49 ...	3	3½	3	½	H.	L.	H.	L.
	Jan.-Mar.	Apr.-Jan.	Jan.	½	1	½	1½	1
					Jan.	Apr.	Jun.	Feb.
					Feb.-Mar.	Dec.	Feb.-Mar.	Feb.
1949-50 ...	3	3½	3½	½	1½	½	1½	1½
					Apr.	June	Apr.	June
					May	Mar.	May	Oct.
1950-51 ...	3	4	3½	½	1½	½	1½	1
	Jan.-Mar.	Apr.-Jan.			Jan.	June	Feb.	June
					Mar.	Jan.	Mar.	Dec.
1951-52 ...	3½	4½	4	2½	3	½	3½	1½
(3-up to Nov.- Nov. 14) Mar.	Apr.-Nov.	Mar.	Apr.-Jan.	½	Feb. & Sept.	Mar.	Apr., May	May & Sept.-Nov.
1951-52								
1st of								
April ...	3	4	½		1	1½	1½	10 to 12
May ...	3	4	½		1	1½	1½	10 to 12
June ...	3	4	½		1	1½	1½	10 to 12
July ...	3	4	½		1	1½	1½	10 to 12
August ...	3	4	½		1	1½	1½	10 to 12
September ...	3	4	½		1½	1½	1½	10 to 12
October ...	3	4	½		1½	1½	1½	10 to 12
November ...	3	4	½		1½	1½	1½	10 to 12
December ...	3½	4½	4	½	1	2	1½	10 to 12
January ...	3½	4½	4	½	2½	2½	3	10 to 12
February ...	3½	4½	4	½	2½	2½	3	10 to 12
March ...	3½	4½	4	2	2½	3	3	10 to 12

*The standard rate at which the Reserve Bank of India is prepared to buy or rediscount bills of exchange or other discounts first class three months commercial bills. †Rates at which bills of small traders are reported to have been (including Exchange Banks.

MENT 29

INDIA SINCE 1935-36

paragraph 30)

commercial paper eligible for purchase under the Reserve Bank of India Act. †The rate at which the Imperial Bank discounted by shroffs. These are unofficial quotations. ‡Quoted by the larger banks in Bombay.

STATEMENT 30

LIABILITIES AND ASSETS OF BANKING COMPANIES†

(Reference paragraph 30)

(Lakhs of Rupees)

Last Friday Report- ing Banks	No. of Report- ing Banks	Paid-up Cap- ital and Reserves \$	DEPOSITS			Due to other Banks	Total Liabil- ties	Cash in Hand and Reserve Bank	in Hand with Per- cent of 5	INVESTMENTS			Loans and Ad- van- tages of 5	Balances with other Banks	14 as Per- cent of 5	Total Assets
			Demand	Time	Total					as Money at Call	Govt. Securi- ties	Others				
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	
(A) SCHEDULED BANKS																
December 1949	90	56,50	551,16	255,94	803,19	26,04	924,79	117,02	14.6	15,45	339,83	21,61	45.0	371,23	46.2	921,92
June 1950	92	56,82	565,98	266,73	832,72	20,14	976,39	106,78	12.8	19,29	344,55	22,72	44.1	426,84	51.3	869,00
December 1950	91	59,54	568,28	278,24	846,52	21,22	983,88	102,95	12.2	17,89	357,03	24,14	45.0	416,05	49.7	975,22
June 1951	90	58,41	573,12	282,00	855,12	28,07	1,011,59	108,17	12.6	22,21	295,02	21,26	37.0	523,71	61.2	1,031,15
December 1951	92	60,75	540,27	288,48	828,75	33,10	1,014,34	89,12	10.8	24,47	305,92	22,13	39.6	515,75	62.2	1,016,98
(B) NON-SCHEDULED BANKS																
December 1949	358	7,91	15,38	24,62	40,00	2,87	53,93	3,61	9.0	2,15	9,93	2,82	31.9	20,38	76.0	51,92
January 1950	360	8,66	13,86	24,96	38,62	2,58	52,25	3,32	8.6	2,01	9,61	2,75	27.7	20,93	77.3	50,74
December 1950	339	7,84	12,94	24,41	37,35	2,61	48,80	3,58	9.6	2,38	9,78	2,35	32.5	28,35	75.9	49,52
June 1951	328	7,70	12,77	23,09	35,86	1,98	47,15	3,51	9.8	2,19	9,15	2,02	31.4	27,23	75.9	48,94
December 1951	297	7,34	11,47	22,86	34,33	2,35	45,57	3,05	8.9	1,83	8,88	1,86	31.3	27,21	79.3	45,47
(C) TOTAL OF (A) AND (B)																
December 1949	448	566,54	276,56	842,10	28,91	988,02	120,63	14.3	17,80	349,76	24,43	44.4	401,61	47.6	973,14	
June 1950	452	579,85	291,69	871,34	22,72	1,031,64	110,10	12.6	21,30	354,16	25,47	43.6	466,77	52.4	1,008,74	
December 1950	430	67,38	581,22	302,65	883,87	21,83	1,049,65	106,53	12.1	20,27	366,81	28,49	44.6	444,40	50.3	1,024,74
June 1951	418	66,11	588,89	308,09	890,98	30,06	1,058,74	111,68	12.5	24,40	23,28	23.8	36.8	520,94	61.8	1,076,41
December 1951	389	68,09	561,74	311,34	865,08	35,45	1,059,91	92,17	10.7	26,30	314,80	23,99	36.8	542,96	62.9	1,003,41

		(A) SCHEDULED BANKS										(B) NON-SCHEDULED BANKS										(C) TOTAL OF (A) AND (B)									
January	1951	91	59,31	572,01	280,20	852,21	28,55	1,008,47	82,60	9	7	21,80	349,35	21,58	43	5	415,12	48	7	988,40	988,39										
February	"	91	67,68	660,36	281,33	841,68	27,42	1,008,32	90,37	10	7	21,06	318,21	21,12	40	3	438,06	52	0	988,36	988,36										
March	"	91	68,66	684,04	282,89	866,93	35,85	1,004,38	95,08	11	0	19,86	315,50	20,89	38	8	473,93	54	7	1,027,35	1,027,35										
April	"	92	58,89	575,67	288,16	863,93	35,25	1,004,92	88,25	10	2	18,35	304,61	21,07	37	7	497,68	57	6	1,018,43	1,018,43										
May	"	90	68,22	670,25	287,13	867,38	31,47	1,013,79	86,52	10	7	18,26	296,95	20,86	37	7	642,16	63	2	1,018,43	1,018,43										
June	"	90	58,04	673,12	282,00	865,12	28,02	1,011,59	108,17	12	6	22,21	296,02	21,26	37	0	523,71	61	2	1,081,12	1,081,12										
July	"	88	58,04	590,96	281,51	872,47	18,56	1,014,91	112,39	12	9	22,20	299,32	21,34	36	8	502,32	57	6	1,007,17	1,007,17										
August	"	91	68,18	685,08	279,43	864,52	25,67	1,021,88	113,83	13	2	30,61	314,39	21,63	38	9	480,81	55	6	1,010,92	1,010,92										
September	"	92	59,67	668,20	286,95	850,15	22,49	1,006,14	110,01	14	2	27,89	313,28	21,58	39	4	465,13	54	7	999,62	999,62										
October	"	91	59,28	581,79	283,71	845,50	22,49	1,006,07	111,72	13	2	24,93	314,18	21,78	39	7	464,79	55	0	991,80	991,80										
November	"	92	60,06	548,06	288,53	836,59	24,01	1,000,67	95,62	11	4	26,07	312,77	21,55	40	0	478,32	57	2	988,56	988,56										
December	"	92	60,75	540,27	288,48	828,75	33,10	1,014,34	89,12	10	5	24,47	305,92	22,13	39	6	515,75	62	2	1,016,96	1,016,96										
January	1951	331	7,81	12,18	23,64	35,82	2,87	48,30	2,75	7	7	2,16	9,08	2,42	33	8	26,28	73	4	47,89	47,89										
February	"	336	8,09	12,78	23,66	36,44	3,03	49,26	2,84	7	8	2,16	9,57	2,41	32	9	27,15	74	5	48,88	48,88										
March	"	331	7,92	13,19	23,54	36,73	2,93	49,21	3,61	9	8	1,86	9,44	2,27	31	9	27,12	73	8	48,92	48,92										
April	"	325	7,90	13,05	22,99	36,04	2,48	48,08	3,41	9	5	2,15	9,07	2,16	26	27	72	9	0	47,81	47,81										
May	"	322	7,80	12,90	22,41	35,31	2,32	47,01	3,41	9	7	2,08	9,09	1,98	31	4	27,20	70	0	46,74	46,74										
June	"	328	7,70	12,77	23,09	35,80	1,98	47,15	3,51	9	8	2,19	9,15	2,02	31	4	27,23	75	9	46,94	46,94										
July	"	320	7,71	13,27	23,17	36,44	2,4	47,57	3,03	8	3	2,03	9,14	2,14	20	5	28,18	77	9	46,67	46,67										
August	"	303	7,68	12,38	22,96	35,34	2,46	46,92	3,08	8	4	1,77	8,84	1,99	30	6	28,18	79	7	46,79	46,79										
September	"	317	7,62	11,06	23,05	35,11	2,42	46,68	2,90	8	3	1,58	8,91	1,98	31	0	28,19	80	3	46,57	46,57										
October	"	318	7,68	11,86	23,07	34,93	2,56	46,71	2,79	8	0	1,34	8,86	1,95	30	9	28,68	82	1	46,68	46,68										
November	"	315	7,68	11,75	23,09	34,94	2,57	46,80	2,79	8	0	1,52	8,92	1,92	31	1	28,53	81	9	46,68	46,68										
December	"	297	7,34	11,47	22,86	34,33	2,35	45,57	3,05	8	9	1,83	8,88	1,86	31	3	27,21	79	3	45,47	45,47										
January	1951	422	67,12	584,19	303,84	888,03	31,42	1,008,77	85,35	9	6	23,75	359,03	24,01	43	1	441,40	49	7	1,038,29	1,038,29										
February	"	427	65,77	673,14	304,99	878,13	30,45	1,002,48	93,21	10	6	23,22	327,78	23,53	40	0	465,21	53	0	1,031,17	1,031,17										
March	"	422	66,58	597,23	306,43	893,66	38,78	1,073,49	98,69	10	9	21,72	324,94	23,16	38	5	501,05	55	4	1,069,28	1,069,28										
April	"	417	66,79	588,72	311,15	899,87	37,73	1,072,30	91,66	10	2	20,50	313,68	23,23	37	4	523,95	58	2	1,076,16	1,076,16										
May	"	412	66,02	583,15	309,54	892,69	33,79	1,060,80	89,93	10	1	20,34	306,04	22,85	30	8	569,36	63	8	1,068,17	1,068,17										
June	"	418	66,11	585,89	305,09	890,98	30,05	1,058,74	111,68	12	5	24,40	304,17	23,28	36	8	550,94	61	8	1,078,06	1,078,06										
July	"	408	65,75	604,23	304,68	908,91	20,70	1,062,73	115,42	12	7	24,23	308,38	23,48	36	5	530,70	61	4	1,054,84	1,054,84										
August	"	394	65,76	597,47	302,39	899,86	28,13	1,068,60	116,81	13	0	32,38	323,23	23,62	38	6	508,89	56	6	1,057,71	1,057,71										
September	"	409	67,28	580,26	305,90	885,26	24,88	1,064,82	123,91	14	0	28,47	322,19	23,66	39	1	493,32	55	7	1,046,16	1,046,16										
October	"	409	66,90	573,65	306,78	880,43	25,08	1,062,78	114,51	13	0	26,27	323,04	23,73	39	4	493,47	56	0	1,038,46	1,038,46										
November	"	407	67,74	559,81	311,62	871,43	27,18	1,067,47	98,41	11	3	27,59	321,69	23,47	39	6	506,85	58	2	1,035,94	1,035,94										
December	"	389	68,09	551,74	311,34	863,08	35,45	1,069,91	92,17	10	7	26,30	314,80	23,99	39	3	542,96	62	9	1,032,48	1,032,48										

† Under Section 27 (1) of the Banking Companies Act, 1949.

‡ Excluding paid-up capital of banking companies incorporated outside India.
Note.—As the figures of liabilities and assets of banking companies relate only to areas to which the Banking Companies Act extended, the total of liabilities may not agree with the total of assets.

STATEMENT 31

CHEQUE CLEARANCES (ANNUAL) SINCE 1918-19

(Lakhs of Rupees)

	Bombay	Calcutta	Delhi	Kanpur	Karachi	Lahore	Madras	Other Centres†	Total
1918-19	... 569.46	741.13			22.30		25.45		1,358.34
1919-20	... 883.02	1,055.76			23.13		33.95		1,995.86
1920-21	... 1,315.93	1,439.93		6.63	33.42		75.79		2,871.70
1921-22	... 906.73	905.01		9.01	36.73	5.86	39.54		1,902.88
1922-23	... 858.73	980.26		7.93	33.58	8.49	45.13		1,934.12
1923-24	... 707.98	853.05		6.38	41.52	5.85	55.41		1,670.19
1924-25	... 621.66	954.11		5.72	46.13	5.57	55.96		1,689.15
1925-26	... 445.05	1,012.19		6.16	36.14	6.86	50.80		1,563.20
1926-27	... 422.68	961.01		8.16	31.07	7.70	54.53		1,485.15
1927-28	... 389.80	1,054.02		7.00	30.82	7.59	59.79		1,549.02
1928-29	... 652.35	1,094.00		7.31	28.02	8.69	65.73		1,856.10
1929-30	... 793.66	960.97		7.56	26.49	8.17	82.19		1,879.04
1930-31	... 666.61	866.28		5.71	24.47	10.67	50.36		1,624.10
1931-32	... 623.82	731.09		5.63	23.23	9.02	43.97		1,436.76
1932-33	... 667.42	790.37		7.08	25.56	8.50	48.85		1,547.78
1933-34	... 655.47	830.88		8.88	26.78	9.88	53.19		1,585.08
1934-35	... 689.17	875.69		11.51	28.96	10.43	56.22		1,671.98
1935-36	... 716.74	918.68	13.73	11.60	30.12	11.16	69.23		1,771.35
1936-37	... 762.38	923.68	15.61	11.51	31.94	11.40	91.39		1,847.91
1937-38	... 815.56	960.93	18.27	11.91	35.53	11.21	109.64		1,969.05
1938-39	... 786.22	934.65	18.58	11.76	32.66	10.36	98.91	28.31	1,921.45
1939-40	... 883.97	1,154.03	20.35	14.22	37.53	11.14	99.94	31.73	2,252.91
1940-41	... 802.32	1,008.53	28.53	19.20	46.76	16.33	108.65	42.28	2,072.60
1941-42	... 1,048.60	1,233.61	41.35	29.59	58.80	26.71	136.41	91.27	2,668.34
1942-43	... 1,345.23	1,074.66	81.94	56.21	77.51	48.76	131.40	163.38	2,979.09
1943-44	... 1,966.60	1,718.81	119.16	101.06	101.30	77.80	196.80	297.74	4,579.22
1944-45	... 2,236.97	2,351.59	129.94	112.95	124.54	95.94	227.37	347.50	5,626.80
1945-46	... 2,487.60	2,826.21	146.02	113.47	145.49	103.30	298.23	451.96	6,572.87
1946-47	... 2,859.08	2,842.25	156.37	142.66	201.82	136.92	378.00	504.28	7,221.88
1947-48	... 2,452.64	2,599.96	126.46	109.83	274.81	49.54	347.94	518.98	6,490.14
1948-49	... 2,738.53	2,655.26	148.68	140.46	*	*	402.02	601.59	6,698.54
1949-50	... 2,599.80	2,356.18	140.30	128.56			374.64	610.46	6,208.94
1950-51	... 2,877.54	2,386.37	149.73	136.18			432.13	656.16	6,638.11
1951-52	... 3,039.00	3,254.51	166.19	145.80			474.88	798.22	7,878.88

† Agra (from May 1945); Ahmedabad; Allahabad (from October 1943); Alleppey (from November 1946); Amritsar; Bangalore (from October 1944); Bareilly (from April 1951); Coimbatore; Dehra Dun (from February 1946); Gaya (from March 1947); Hyderabad-Deccan (from November 1949); Jullundur City (from February 1948); Kozhikode; Lucknow; Lyallpur (from September 1944 to September 1947); Mangalore; Mathurais; Muzaffarpur (from November 1950); Nagpur; New Delhi (from August 1947); Patna (from April 1943); Poona (from August 1947); Rajkot (from January 1947); Rawalpindi (from April 1941 to October 1947) and Simla.

* Rs. 71.04 lakhs and Rs. 10.97 lakhs for the Karachi and Lahore Centres, respectively, during the quarter ended June 1948.

STATEMENT 32

CHEQUE CLEARANCES (MONTHLY), 1951-52

(Rupees in Lakhs)

CENTRE	1951-52											Total
	April	May	June	July	August	Septem- ber	October	Novem- ber	Decem- ber	January	February	
BONDAY—												
Number	1,2,44,540	8,76,055	8,10,934	8,43,893	8,25,948	7,55,667	8,47,265	8,98,248	9,03,302	8,64,225	8,40,235	1,05,70,465
Amount	376,22	305,98	264,13	254,53	238,80	216,89	233,28	259,94	243,15	271,73	244,36	237,05
CALCUTTA—												
Number	6,46,961	6,24,286	5,53,247	5,82,290	5,78,632	5,41,070	5,26,630	6,05,279	5,46,984	5,76,036	5,72,052	6,07,071
Amount	282,78	298,92	273,34	274,91	265,94	276,34	249,94	265,95	245,06	279,00	269,38	276,93
DELHI—												
Number	1,06,460	1,24,004	1,10,694	1,09,703	1,10,364	1,11,336	1,03,341	1,18,250	1,15,084	1,25,316	1,20,168	1,17,304
Amount	14,99	15,20	14,38	12,80	12,29	13,81	12,47	13,94	13,54	14,85	14,59	13,33
KARUR—												
Number	51,664	60,401	48,815	50,914	47,590	42,815	43,911	53,251	53,809	53,191	52,853	50,845
Amount	12,70	15,32	12,02	13,03	11,41	10,60	10,78	11,73	12,86	12,43	13,09	10,05
MADRAS—												
Number	2,64,505	2,75,043	2,59,900	2,96,260	2,84,191	2,67,826	2,66,821	2,99,066	2,64,461	2,75,473	2,60,928	2,95,197
Amount	38,54	40,36	38,63	40,56	39,26	38,12	39,71	37,75	40,00	41,82	36,02	43,11
OTHER CENTRES*—												
Number	4,17,060	4,54,003	4,11,942	4,52,655	4,31,028	3,95,970	4,42,574	4,62,289	4,33,332	4,61,320	4,43,871	4,47,396
Amount	61,71	78,65	66,68	72,46	65,04	59,90	66,63	70,02	63,10	69,05	65,01	61,97
Total—												
Number	27,31,190	24,14,382	21,94,532	23,35,415	22,77,753	21,44,684	22,30,542	24,37,383	22,42,683	23,94,688	23,14,097	23,68,548
Amount	687,94	752,43	659,18	668,29	639,74	615,66	611,79	659,33	620,53	688,88	642,45	642,44

* Agra, Ahmedabad, Allahabad, Alleppey, Amritsar, Bangalore City, Bareilly, Coimbatore, Dehra Dun, Gaya, Hyderabad (Deccan), Jullundur City, Kozhikode, Lucknow, Mangalore, Mathura, Muza�arpur, Nagpur, New Delhi, Patna, Poona, Rajkot and Simla.

STATEMENT 33

(A) REMITTANCES THROUGH THE RESERVE BANK OF INDIA
Telegraphic Transfers Issued and Paid

(Lakhs of Rupees)

Centre	1950-51				1951-52				(Lakhs of Rupees)			
	October to December		January to March		April to June		July to September		October to December		January to March	
	Issued	Paid	Issued	Paid	Issued	Paid	Issued	Paid	Issued	Paid	Issued	Paid
Bombay	47,99	87,56	89,78	85,24	53,54	122,13	47,35	122,03	44,73	117,72	43,81	121,03
Calcutta	63,83	104,82	132,05	79,58	140,75	62,84	114,62	97,01	129,28	52,82	133,24	47,97
Delhi	21,65	24,35	22,00	20,15	31,42	23,31	32,51	20,20	29,21	19,86	28,06	19,34
Kanpur	9,80	16,53	8,18	22,92	15,57	24,15	42,81	4,01	19,01	10,84	14,02	10,68
Madras	18,11	39,29	19,50	65,24	23,14	43,63	32,70	30,28	19,15	44,80	21,98	41,30
Total	161,28	272,55	271,51	272,87	264,46	276,06	269,99	273,53	241,38	245,84	240,22	240,32
174												

(B) REMITTANCES THROUGH THE IMPERIAL BANK OF INDIA

(Lakhs of Rupees)

From offices in	1950-51				1951-52				(Lakhs of Rupees)			
	Bengal Circle	Bombay Circle	Madras Circle	Total	Bengal Circle	Bombay Circle	Madras Circle	Total	Bengal Circle	Bombay Circle	Madras Circle	Total
	Issued	Paid	Issued	Paid	Issued	Paid	Issued	Paid	Issued	Paid	Issued	Paid
Bengal Circle	346,21	122,12	31,15	499,48	372,81	144,38	41,17	559,36	350,70	117,73	539,18	
Bombay Circle	94,87	268,37	35,37	398,61	146,75	75,50	261,66	375,51				
Madras Circle	36,52	55,93	226,83	319,34	38,35	75,50						
Total	477,60	466,49	293,34	1,217,43	557,91	570,58	344,56	1,473,05				
174												

Note.—Figures relate to the Indian Union. \$ Telegraphic Transfers paid, Mail Transfers received, Drafts paid and Demand Drafts purchased.

(C) REMITTANCES EFFECTED BETWEEN THE RESERVE BANK OF INDIA AND THE
IMPERIAL BANK OF INDIA AND TREASURY AGENCIES

	HALF YEAR ENDED 30-9-1950				HALF YEAR ENDED 31-3-1951				HALF YEAR ENDED 30-9-1951			
	Telegraphic Transfers		Drafts and Mail Transfers		Telegraphic Transfers		Drafts and Mail Transfers		Telegraphic Transfers		Drafts and Mail Transfers	
	No.	Amount	No.	Amount	No.	Amount	No.	Amount	No.	Amount	No.	Amount
The General Public	18,631	53,55	3,00,298	77,76	21,422	63,95	2,97,797	77,07	21,420	67,93	3,20,082	82,75
Scheduled Banks :												
At par	11,808	344,69	3,483	12,81	9,853	3,18,75	3,574	14,48	11,276	419,87	3,985	13,96
At a premium	7,054	47,32	18,602	19,70	8,374	78,98	19,710	18,48	7,634	60,65	22,750	22,66
Approved Non-Scheduled Banks and Indigenous Bankers (under para. 3C of the Remittance Facilities Scheme)	550	3,76	3,984	4,71	553	3,54	3,191	2,86	554	2,04	4,265	2,31
Co-operative Banks and Societies :												
At par	191	4,54	420	4,91	156	4,32	3,39	1,74	4,72	484	3,97	3,97
At a premium	427	2,68	13,874	13,32	957	6,10	14,816	15,59	1,019	6,59	17,036	18,96
Local Funds at a premium (under para. 3E(i)(f) of the Remittance Facilities Scheme)												
Other Remittances at par	2,252	20,90	1,15,980	46,22	2,730	32,98	1,23,514	47	1,21	37	4,227	1,59
Government :												
Intra-Provincial at par	587	1,87	1,58,906	47,07	5,835	5,04	1,81,210	60,10	4,656	3,53	1,60,144	55,51
Extra - Provincial at a premium	311	96	20,063	7,39	342	33	30,135	7,39	179	13	20,833	7,89
Total	41,818	480,96	6,39,003	2,34,61	50,286	513,98	6,78,029	257,81	49,428	606,17	6,80,524	270,16

Note.—Figures relate to the Indian Union. (a) Less than Rs. 50,000.

STATEMENT 34
ENCASHMENT OF FOREIGN CIRCLE NOTES, 1951-52

	Cashed at									
	Calcutta	Bombay	Delhi	Kanpur	Madras	Karachi	Lahore	Rangoon	Total	Total
Bombay	15,82,70,750	5,72,91,250	7,65,39,420	7,44,32,250	8,35,61,750				29,06,45,670	
Calcutta	4,33,80,100	1,91,48,900	10,56,23,050	31,96,34,150	3,79,95,800				62,16,23,760	
Delhi	3,62,69,900	3,58,47,350	3,20,99,000	5,39,09,820	5,14,800				9,97,42,700	
Kanpur	10,89,46,550	1,90,98,050	1,42,95,250	1,44,42,900	81,93,950				18,42,21,020	
Madras	3,14,69,000	1,75,300	84,44,100	22,88,200	10,80,900				16,67,70,750	
Karachi	6,55,52,600	9,30,050	7,14,69,050	1,27,13,250	15,10,950				4,31,87,200	
Lahore	16,350	13,24,78,800	20,450	52,000	37,000				16,21,75,900	
Rangoon		44,39,06,250	32,93,51,140	45,57,12,750	13,72,44,880				1,25,900	
Total									149,86,92,750	

STATE

LIABILITIES AND ASSETS (WEEKLY) OF THE
 (Issue and Banking
(Reference)

1951-52	Friday	LIABILITIES								Total Liabilities or Assets	
		Capital and Reserves	Notes in Circulation ‡	Deposits			Other Liabilities				
				Central Govern-ment	Other Govern-ments	Banks	Others	Total			
		1	2	3	4	5	6	7	8	9	
1	April	6	10,00	1,269,80	131,04	35,29	58,06	72,93	297,81	31,54 1,603,65	
2	"	13	10,00	1,278,88	136,49	27,72	51,24	73,49	288,94	32,47 1,610,29	
3	"	20	10,00	1,281,02	140,76	26,06	51,67	74,25	292,75	30,83 1,614,60	
4	"	27	10,00	1,280,93	146,66	30,79	52,19	75,09	305,63	31,37 1,627,92	
5	May	4	10,00	1,294,17	134,52	31,97	52,65	75,49	294,84	32,44 1,631,25	
6	"	11	10,00	1,302,47	133,02	26,21	52,79	78,36	290,37	33,15 1,636,00	
7	"	18	10,00	1,295,91	136,28	28,20	50,20	76,28	290,95	40,54 1,637,40	
8	"	25	10,00	1,280,28	145,02	24,25	49,60	75,86	294,73	50,01 1,641,03	
9	June	1	10,00	1,281,96	139,42	25,50	52,87	72,49	290,28	54,29 1,636,53	
10	"	8	10,00	1,290,25	140,45	19,21	51,76	73,37	284,79	44,81 1,629,85	
11	"	15	10,00	1,279,54	140,56	15,86	55,79	73,29	285,60	55,80 1,630,94	
12	"	22	10,00	1,282,53	154,80	17,15	58,92	71,97	302,93	72,82 1,648,18	
13	"	29	10,00	1,257,48	162,83	17,05	58,74	71,22	309,84	56,63 1,633,95	
14	July	6	10,00	1,254,53	157,53	16,11	62,22	70,87	306,73	37,92 1,609,18	
15	"	13	10,00	1,241,81	163,14	13,89	62,17	71,49	310,49	51,37 1,613,66	
16	"	20	10,00	1,220,85	162,86	16,94	67,67	72,88	320,34	42,97 1,594,16	
17	"	27	10,00	1,201,61	169,84	17,26	76,02	68,34	331,45	53,55 1,596,61	
18	August	3	10,00	1,199,07	174,19	14,60	73,86	67,96	330,61	46,44 1,586,12	
19	"	10	10,00	1,196,43	190,94	10,37	69,61	68,55	339,48	42,94 1,588,85	
20	"	17	10,00	1,188,96	191,87	8,17	75,54	70,09	345,87	51,38 1,596,01	
21	"	24	10,00	1,170,05	208,47	10,90	72,83	68,73	360,93	55,60 1,596,58	
22	"	31	10,00	1,158,28	216,67	10,25	75,63	67,72	370,87	68,13 1,606,68	
23	September	7	10,00	1,167,56	214,59	7,15	73,55	67,29	362,58	58,80 1,598,95	
24	"	14	10,00	1,161,64	210,16	9,88	74,11	66,95	361,09	66,51 1,599,24	
25	"	21	10,00	1,141,83	188,35	21,20	81,35	68,95	359,85	55,15 1,586,88	
26	"	28	10,00	1,130,67	205,28	13,55	84,43	67,31	370,57	54,98 1,586,22	
27	October	5	10,00	1,145,91	200,85	11,39	77,85	67,28	367,37	30,86 1,588,15	
28	"	12	10,00	1,150,66	198,67	7,99	69,18	66,18	343,02	35,95 1,589,62	
29	"	19	10,00	1,135,28	191,17	19,37	76,86	65,86	353,86	52,23 1,580,77	
30	"	26	10,00	1,128,28	191,65	19,36	74,34	66,97	352,81	60,52 1,581,10	
31	November	2	10,00	1,140,76	191,98	19,45	67,31	65,01	343,75	47,58 1,542,09	
32	"	9	10,00	1,141,65	211,37	1,05	61,77	64,55	338,74	32,28 1,522,67	
33	"	16	10,00	1,134,47	202,11	8,02	61,55	64,68	336,37	40,77 1,581,68	
34	"	23	10,00	1,126,19	203,18	10,49	62,59	64,84	341,10	50,09 1,587,38	
35	"	30	10,00	1,122,58	206,50	11,70	60,40	64,84	343,44	54,68 1,580,70	
36	December	7	10,00	1,140,52	200,26	5,96	53,11	65,47	394,80	37,43 1,512,74	
37	"	14	10,00	1,143,30	202,21	5,82	47,91	65,04	330,97	36,42 1,510,68	
38	"	21	10,00	1,140,08	208,58	9,86	47,52	66,21	331,98	41,09 1,523,14	
39	"	28	10,00	1,141,09	210,49	10,10	50,72	66,26	337,65	40,66 1,520,41	
40	January	4	10,00	1,153,33	208,12	10,65	48,99	68,27	336,03	37,97 1,587,33	
41	"	11	10,00	1,159,34	215,48	3,68	43,50	68,90	331,55	32,90 1,588,79	
42	"	18	10,00	1,157,02	200,16	5,94	50,28	67,83	334,81	35,16 1,586,40	
43	"	25	10,00	1,150,11	198,24	10,68	46,02	68,91	333,75	42,30 1,586,18	
44	February	1	10,00	1,152,87	210,79	5,60	45,20	68,63	330,21	40,31 1,583,39	
45	"	8	10,00	1,165,24	203,66	1,88	41,24	69,19	315,97	36,01 1,587,22	
46	"	15	10,00	1,161,20	198,74	5,63	43,65	68,61	316,68	41,26 1,589,10	
47	"	22	10,00	1,146,94	188,05	21,24	44,09	68,43	321,81	55,24 1,588,98	
48	"	29	10,00	1,139,60	186,41	26,43	44,81	67,56	326,81	61,88 1,586,68	
49	March	7	10,00	1,154,61	177,28	22,61	42,94	67,97	310,90	47,06 1,582,47	
50	"	14	10,00	1,157,52	180,73	17,80	43,43	67,05	314,02	45,88 1,590,91	
51	"	21	10,00	1,147,44	163,84	36,69	48,90	66,90	316,34	53,61 1,587,39	
52	"	28	10,00	1,141,11	180,16	25,06	46,99	65,90	318,11	61,72 1,580,94	

Note : - Figures in columns 2 and 11 from October 1951 are net of adjustments made in respect of India notes retired from circulation in Aden. ‡ Including the balance of India notes retired from Pakistan and awaiting cancellation.

MENT 35

RESERVE BANK OF INDIA, 1951-52

Departments Combined)

paragraph 32)

(Lakhs of Rupees)

ASSETS

Gold Coin and Bullion†	Foreign Assets	Rupee Coin*	Notes	Rupee Securities	Loans and Advances to Govern- ments	Other Loans and Advances	Bills Purchased and Discounted	Other Assets
10	11	12	13	14	15	16	17	18
40,02	875.17	58.50	8.41	585.48	2.74	16.95	11.44	9.95 1
40,02	874.27	58.08	8.87	586.69	5.05	14.12	12.47	10.73 2
40,02	876.89	58.38	7.00	591.69	5.05	13.70	11.11	10.76 3
40,02	880.38	58.54	7.24	597.41	6.68	14.53	12.29	10.83 4
40,02	882.74	57.64	8.18	603.10	6.66	16.11	5.58	11.23 5
40,02	881.16	57.11	9.30	603.89	6.92	22.03	3.73	11.24 6
40,02	879.41	57.23	15.97	604.21	7.11	18.19	4.02	11.25 7
40,02	874.52	57.35	25.71	604.63	7.24	16.66	3.65	11.27 8
40,02	866.32	57.36	30.12	603.98	7.24	15.54	3.36	12.60 9
40,02	866.52	56.39	20.82	604.15	7.50	17.33	4.49	12.62 10
40,02	857.31	56.64	31.75	604.34	7.50	15.62	4.71	12.95 11
40,02	856.76	57.40	49.51	604.87	7.50	13.75	5.39	12.98 12
40,02	857.42	57.66	34.84	604.08	7.50	18.71	2.09	11.64 13
40,02	856.03	57.52	22.08	604.19	7.50	13.32	2.42	5.50 14
40,02	851.34	57.99	35.86	604.15	5.23	10.77	2.80	5.49 15
40,02	847.13	59.06	27.86	602.65	5.27	4.85	2.81	4.51 16
40,02	840.59	60.45	38.48	599.56	5.16	5.05	2.81	4.50 17
40,02	839.60	60.64	31.28	593.63	4.53	5.62	6.32	4.48 18
40,02	837.59	60.96	34.24	592.17	5.25	5.52	7.94	5.16 19
40,02	836.80	61.64	42.33	591.97	5.15	5.52	8.55	4.02 20
40,02	830.76	62.76	47.33	592.00	5.23	5.92	8.55	4.01 21
40,02	827.14	64.07	60.42	591.98	5.19	5.64	8.35	3.89 22
40,02	827.43	63.60	50.72	591.93	5.17	5.43	11.32	3.33 23
40,02	821.15	64.11	57.11	591.50	5.05	5.69	11.25	3.36 24
40,02	820.34	65.45	44.77	578.11	5.02	6.01	3.75	3.37 25
40,02	816.04	67.88	43.33	577.40	5.11	6.33	6.55	3.56 26
40,02	819.72	67.29	27.56	576.50	5.11	6.80	6.46	3.59 27
40,02	810.22	67.22	22.74	576.60	5.00	7.17	7.08	3.57 28
40,02	804.50	68.07	38.95	576.20	5.05	6.41	7.99	3.57 29
40,02	796.24	69.18	47.04	576.41	5.00	6.39	7.03	3.79 30
40,02	800.31	68.60	34.03	576.65	5.05	6.49	7.11	3.85 31
40,02	793.67	68.41	17.92	576.47	5.10	6.38	10.79	3.90 32
40,02	785.41	68.82	25.51	571.23	5.05	6.21	10.59	8.80 33
40,02	781.24	69.51	34.46	567.72	5.00	6.29	8.63	14.51 34
40,02	778.95	69.95	38.49	566.86	5.00	6.56	8.73	16.13 35
40,02	781.04	68.88	19.54	566.86	5.02	6.66	8.50	16.22 36
40,02	777.86	68.73	16.60	566.86	5.10	9.84	8.02	16.75 37
40,02	778.37	69.02	20.12	569.47	7.98	12.95	7.59	17.63 38
40,02	781.09	69.17	19.22	569.31	7.96	17.11	6.73	18.81 39
40,02	782.01	68.52	16.39	569.28	7.94	27.83	6.50	18.84 40
40,02	781.44	68.02	9.85	560.23	8.30	30.37	7.54	19.02 41
40,02	766.84	68.21	12.35	569.38	8.00	34.94	7.60	19.06 42
40,02	763.77	68.47	19.51	569.38	7.98	32.27	5.63	19.15 43
40,02	764.60	68.59	16.94	569.38	7.63	41.25	5.59	19.39 44
40,02	761.08	67.58	13.52	569.38	7.70	45.65	2.81	19.49 45
40,02	755.68	67.58	17.55	569.37	7.90	48.52	2.95	19.53 46
40,02	749.31	68.18	32.39	569.37	7.20	45.51	2.46	19.54 47
40,02	744.61	68.45	39.97	569.38	6.70	45.30	2.46	19.71 48
40,02	738.48	67.56	24.17	569.88	5.13	55.34	2.22	19.87 49
40,02	721.59	67.66	21.32	569.80	5.15	69.23	2.42	29.74 50
40,02	723.03	68.45	28.68	566.82	93	67.28	2.39	29.70 51
40,02	723.07	69.29	35.82	566.73	94	61.87	3.72	29.99 52

† Valued at the statutory rate of Rs. 21-3-10 per tola.

* Including one rupee notes and subsidiary coin.

STATE

LIABILITIES AND ASSETS OF THE RESERVE

(Issue and Banking

(Reference)

LIABILITIES

Last Friday of	Capital and Reserves	Notes in Circula-tion	Deposits				Other Liabili-ties	
			Central Govern-ment	Other Govern-ments	Banks	Others		
1 1938-39	10,00	189,10	9,25	10,43	11,41	77	31,85	18,94
2 1939-40	10,00	238,55	8,22	13,93	17,59	98	40,82	15,22
3 1940-41	10,00	257,66	5,09	17,32	35,49	6,10	63,99	16,18
4 1941-42	10,00	410,07	7,41	12,04	42,03	2,25	63,72	18,89
5 1942-43	10,00	643,58	19,34	17,13	47,01	4,51	87,99	21,41
6 1943-44	10,00	882,49	76,40	25,35	49,92	15,48	167,15	28,07
7 1944-45	10,00	1,084,88	253,81	30,05	85,46	23,46	392,78	20,42
8 1945-46	10,00	1,218,77	521,01	35,90	76,90	9,56	643,37	39,52
9 1946-47	10,00	1,242,03	431,76	30,28	71,32	28,65	562,01	34,74
10 1947-48	10,00	1,304,36	320,03	24,23	78,90	34,16	457,32	34,51
11 1948-49	10,00	1,169,35	183,93	24,56	55,04	68,75	332,29	42,62
12 1949-50	10,00	1,163,52	129,28	45,63	52,92	63,61	291,44	38,02
13 1950-51	10,00	1,247,41	162,04	26,40	59,28	72,31	320,03	34,82
14 1951-52	10,00	1,141,11	180,16	25,06	46,99	65,90	318,11	61,72
15 April 1950	10,00	1,184,59	133,37	27,27	51,54	61,12	273,30	42,64
16 May "	10,00	1,181,70	128,66	23,16	54,48	58,93	265,23	43,40
17 June "	10,00	1,168,53	140,67	15,20	52,44	63,58	271,88	52,56
18 July "	10,00	1,132,37	136,13	17,66	76,65	61,38	291,81	48,82
19 August "	10,00	1,109,56	145,50	18,17	74,36	60,63	298,67	45,27
20 September "	10,00	1,095,59	164,01	16,27	80,29	60,62	321,20	37,51
21 October "	10,00	1,105,81	152,78	24,00	77,75	60,97	315,51	28,67
22 November "	10,00	1,113,78	149,63	18,13	81,78	61,93	311,48	36,70
23 December "	10,00	1,103,25	164,45	14,82	55,39	60,88	295,54	27,81
24 January 1951	10,00	1,190,69	164,19	15,43	48,95	59,97	288,55	29,73
25 February "	10,00	1,217,21	164,05	13,36	57,83	66,00	301,25	33,41
26 March "	10,00	1,247,41	162,04	26,40	59,28	72,31	320,03	34,82
27 April 1951	10,00	1,280,93	146,66	30,79	52,19	75,99	305,63	31,37
28 May "	10,00	1,286,28	145,02	24,25	49,60	75,86	294,73	50,01
29 June "	10,00	1,257,48	162,83	17,05	58,74	71,22	309,84	56,63
30 July "	10,00	1,201,61	169,84	17,26	76,02	68,34	331,45	53,55
31 August "	10,00	1,158,28	216,67	10,25	75,63	67,72	370,27	68,13
32 September "	10,00	1,130,67	205,28	13,55	84,43	67,31	370,57	54,98
33 October "	10,00	1,128,26	191,65	19,36	74,34	66,97	352,51	60,52
34 November "	10,00	1,122,58	206,50	11,70	60,40	64,84	343,44	54,68
35 December "	10,00	1,141,09	210,49	10,19	50,72	66,26	337,65	40,66
36 January 1952	10,00	1,150,11	198,24	10,58	48,02	68,91	328,75	42,30
37 February "	10,00	1,139,60	186,41	26,43	44,81	67,66	326,21	61,88
38 March "	10,00	1,141,11	180,16	25,06	46,99	65,90	318,11	61,72

*Note.—*Figures from 1938-39 to 1941-42 relate to India and Burma, from 1942-43 to 1947-48 to undivided India and thereafter to the Indian Union. Figures for the Indian Union are net of adjustments on account of (i) transfer of liabilities to the State Bank of Pakistan in respect of inscribed Pakistan notes issued between April and June 1948 and (ii) cancellation of India notes returned from circulation in Pakistan under Section 4(2) of Part IV of the Pakistan (Monetary System and Reserve Bank) Order, 1947, as amended. Figures from October 1951 are net of adjustments made in respect of India notes returned from circulation in Aden.

MENT 36

BANK OF INDIA SINCE 1938-39

Departments Combined)

paragraph 32)

(Lakhs of Rupees)

ASSETS										
Total Liabilities or Assets	Gold Coin and Bullion†	Foreign Assets‡	Rupee Coin*	Notes	Rupee Securities	Loans and Advances to Govern. ments	Other Loans and Advances	Bills Purchased and Dis- counted	Other Assets	
249.89	44.42	73.93	71.10	18.13	38.96	—	2	2.63	71	1
304.59	44.42	141.99	56.05	13.66	46.11	—	18	1,20	98	2
347.81	44.42	144.49	34.83	11.59	95.05	16.00	6	3	1,34	3
502.68	44.42	248.14	27.67	10.99	148.44	17.50	1	39	5,12	4
762.98	44.42	509.05	14.68	11.53	180.05	18	1	69	2,38	5
1,087.71	44.42	946.06	12.57	12.35	67.00	25	1,11	20	3,75	6
1,517.08	44.42	1,363.38	14.38	9.78	76.03	1,15	—	3.29	4,65	7
1,911.86	44.42	1,724.30	16.02	19.64	88.47	—	18	2.60	16,04	8
1,848.79	44.42	1,012.54	20.64	16.05	124.16	—	55	3.25	27.18	9
1,806.19	44.42	1,527.97	37.05	15.13	175.65	3	—	1.81	4.14	10
1,554.25	40.02	944.14	42.14	21.76	493.42	—	6.36	2.13	4.29	11
1,502.98	40.02	858.78	51.23	18.21	615.94	24	11.21	1.97	5.38	12
1,612.27	40.02	884.18	54.51	11.72	585.83	1,56	16.75	8.21	9.50	13
1,580.94	40.02	723.07	69.29	35.82	566.73	94	61.37	3.72	29.99	14
1,510.53	40.02	848.66	55.86	21.75	520.76	4.16	10.32	3.35	5.64	15
1,500.33	40.02	831.87	55.11	23.08	530.43	1.35	10.16	3.24	5.07	16
1,502.97	40.02	827.40	55.42	36.61	528.72	93	10.01	1.76	2.10	17
1,483.00	40.02	818.02	57.68	29.95	522.54	2.32	6.12	2.40	3.96	18
1,463.50	40.02	806.43	59.28	24.35	523.52	—	4.40	2.98	2.51	19
1,464.81	40.02	807.20	60.90	24.94	521.33	85	4.21	1.66	3.21	20
1,459.99	40.02	815.97	60.96	14.80	521.28	5	3.01	54	3.37	21
1,471.96	40.02	817.59	60.25	21.11	522.88	1.16	3.71	1.32	3.01	22
1,496.60	40.02	834.42	59.04	10.43	536.64	3.94	4.36	2.27	5.47	23
1,518.86	40.02	843.28	57.57	11.52	546.96	3.83	4.42	4.87	6.51	24
1,561.87	40.02	856.56	55.96	13.42	577.18	3.37	4.56	2.61	8.20	25
1,612.27	40.02	884.18	54.51	11.72	585.83	1.56	16.75	8.21	9.50	26
1,627.99	40.02	880.38	58.54	7.24	597.41	6.68	14.53	12.29	10.83	27
1,641.03	40.02	874.52	57.35	25.71	604.63	7.24	16.66	3.65	11.27	28
1,638.95	40.02	857.42	57.66	34.84	604.08	7.50	18.71	2.09	11.64	29
1,596.61	40.02	840.59	60.45	38.48	599.56	5.16	5.05	2.81	4.50	30
1,606.88	40.02	827.14	64.07	60.42	591.98	5.19	5.64	8.35	3.89	31
1,588.22	40.02	816.04	67.88	43.33	577.40	5.11	6.33	6.55	3.56	32
1,561.10	40.02	796.24	69.18	47.04	576.41	5.00	6.39	7.03	3.79	33
1,530.70	40.02	778.95	69.95	38.49	566.86	5.00	6.56	8.73	16.13	34
1,529.41	40.02	781.09	69.17	19.22	569.31	7.96	17.11	6.73	18.81	35
1,536.16	40.02	763.77	68.47	19.51	569.38	7.98	32.27	5.63	19.16	36
1,536.68	40.02	744.81	68.45	39.97	569.38	6.79	45.30	2.46	19.71	37
1,530.94	40.02	723.07	69.29	35.82	566.73	94	61.37	3.72	29.99	38

† Valued at the statutory rate of Rs. 21.3-10 per tola.

‡ Including cash and short-term securities.

* Including subsidiary coin from 1938-39 and one rupee notes from 1940-41.

STATEMENT 37

RESERVE BANK OF INDIA: BANKING DEPARTMENT
WEEKLY STATEMENT OF ASSETS AND LIABILITIES, 1951-52
(Reference paragraph 32)

Friday	1951-52	LIABILITIES						ASSETS					
		Deposits			Other Liabilities			Total Liabilities* or Assets			Loans and Advances held abroad† to Govt. and Other Authorities		
		Central Government	Other Govern-ments	Banks	Others	Total		Notes and Coin	Balances and Advances held abroad† to Govt. and Other Authorities	Loans and Advances held abroad† to Govt. and Other Authorities	Bills Purchased and Dis-Counted	Invest-ments	Other Assets
April	6	131.94	35.29	58.06	72.93	287.31	23.13	380.44	8,49	197.02	2,74	16.05	11.44
"	13	136.49	27.72	51.24	73.49	288.94	23.60	382.55	9.00	186.12	5.05	14.12	12.47
"	20	140.76	26.06	51.67	74.25	282.75	23.82	388.57	7.15	188.74	5.05	13.70	11.11
"	27	146.66	30.19	52.19	75.99	305.63	24.13	389.75	7.40	192.23	6.68	14.53	12.29
May	4	134.52	31.97	52.65	75.49	294.64	24.27	388.90	8.26	194.59	6.66	16.11	5.58
"	11	133.02	26.21	52.79	78.36	290.37	23.85	394.92	9.43	183.01	6.92	22.63	3.73
"	18	136.28	28.20	50.20	76.28	280.85	24.57	385.52	16.12	181.26	7.11	18.19	4.02
"	25	145.02	24.25	49.60	75.86	294.73	24.31	328.04	25.86	176.37	7.24	16.66	3.65
June	1	139.42	25.50	52.87	72.49	280.28	24.18	384.45	30.20	168.17	7.24	15.54	3.36
"	8	140.45	19.21	61.76	73.37	284.79	23.99	318.77	20.93	168.37	7.50	17.33	4.49
"	15	140.56	15.86	55.79	73.29	285.60	24.05	319.55	31.90	159.16	7.50	15.62	4.71
"	22	154.80	17.15	58.92	71.97	302.83	23.31	386.14	49.67	158.60	7.50	13.75	5.39
"	29	162.83	17.05	58.74	71.22	308.84	21.79	341.84	34.98	179.26	7.50	18.71	2.09
July	6	157.53	16.11	62.22	70.87	306.73	15.24	331.97	22.78	192.87	7.50	13.32	2.42
"	13	163.14	13.69	62.17	71.49	310.49	15.51	385.89	35.98	188.19	5.23	10.77	2.80
"	20	162.86	16.94	67.67	72.88	320.34	16.11	385.45	29.01	213.98	5.27	4.65	2.81
"	27	169.34	17.26	76.02	68.34	381.45	15.07	356.53	38.64	217.44	5.16	5.05	2.81
August	3	174.19	14.60	73.56	67.96	380.61	15.17	355.77	31.37	226.45	4.53	5.62	6.32
"	10	190.94	10.37	69.61	68.55	339.48	8.71	388.18	34.32	224.44	5.25	5.62	7.94
"	17	191.97	8.17	75.64	70.09	345.67	9.05	384.72	42.47	223.65	5.15	5.52	8.55
"	24	208.47	10.90	72.83	68.73	360.93	8.26	379.19	47.50	217.61	5.23	5.92	8.55
"	31	216.67	10.25	75.63	67.72	370.27	7.72	387.98	60.58	213.99	5.19	5.64	8.35

(Lakhs of Rupees)

September	7	...	214,59	7,15	73,55	67,29	362,53	8,08	380,67	50,83	214,28	5,17	5,43	11,32	90,31	3,33	
"	14	...	210,16	9,88	74,11	66,95	381,09	9,39	380,49	57,26	208,00	5,05	5,69	11,25	89,88	3,36	
"	21	...	188,85	21,20	81,35	68,95	359,85	10,38	380,23	44,91	222,19	5,02	6,01	3,75	94,98	3,37	
"	28	...	205,28	13,55	84,43	67,31	370,57	11,65	382,22	43,51	217,89	5,11	6,33	6,55	109,27	3,56	
October	5	...	200,85	11,39	77,85	67,28	357,37	12,30	379,68	27,68	221,57	5,11	6,80	6,46	108,46	3,59	
"	12	...	199,67	7,99	69,8	66,18	343,02	13,21	366,23	22,87	212,06	5,09	7,17	7,98	108,47	3,57	
"	19	...	191,17	19,37	76,98	65,86	353,26	13,28	376,54	39,09	206,35	5,05	6,41	7,99	108,07	3,57	
"	26	...	191,65	19,36	74,34	66,97	352,31	13,49	375,80	47,22	198,09	5,00	6,39	7,03	108,28	3,79	
November	2	...	191,98	19,45	67,31	65,01	343,75	13,55	367,30	34,13	202,16	5,05	6,49	7,11	108,52	3,85	
"	9	...	211,37	1,05	61,77	64,57	338,74	14,26	368,10	18,06	210,52	5,10	6,38	10,79	108,34	3,90	
"	16	...	202,11	8,02	61,55	64,68	326,87	15,27	361,64	25,64	202,25	5,05	6,21	10,59	103,10	8,80	
"	23	...	203,18	10,49	62,59	64,84	341,10	15,63	366,73	34,62	198,09	5,00	6,29	8,63	99,59	14,51	
"	30	...	206,50	11,70	60,40	64,84	343,44	16,19	369,63	38,67	195,80	5,00	6,56	8,73	98,73	16,13	
December	7	...	200,26	5,96	53,11	65,47	324,80	17,89	352,68	19,66	197,88	5,02	6,66	8,50	98,73	16,22	
"	14	...	202,21	5,82	47,91	65,04	320,97	19,82	350,79	16,74	194,71	5,10	9,84	8,92	98,73	16,76	
"	21	...	208,58	9,66	47,52	66,21	331,98	20,97	362,95	20,24	195,22	7,95	12,95	7,59	101,34	17,63	
"	28	...	210,49	10,19	50,72	66,26	337,65	21,45	369,10	19,38	197,94	7,96	17,11	6,73	101,18	18,81	
January	4	...	208,12	10,65	48,99	68,27	326,03	21,58	367,61	16,49	188,86	7,94	27,83	6,50	98,73	18,84	
"	11	...	215,48	3,68	43,50	68,90	331,55	23,05	384,60	9,95	188,29	8,30	30,37	7,54	101,10	19,02	
"	18	...	206,16	5,94	50,28	65,83	324,21	22,82	357,03	12,49	173,69	8,00	34,94	7,60	101,25	19,06	
"	25	...	198,24	10,58	46,02	68,91	323,75	22,79	356,55	19,66	170,62	7,98	32,27	5,63	101,25	19,15	
February	1	...	210,79	5,60	45,20	68,63	330,21	23,36	368,67	17,02	171,45	7,63	41,25	5,59	101,25	19,39	
"	8	...	203,66	1,88	41,24	69,19	315,97	22,49	348,46	13,64	157,93	7,70	45,65	2,81	101,25	19,49	
"	15	...	198,74	5,63	43,65	68,61	316,63	23,71	350,34	17,67	152,53	7,90	48,52	2,95	101,24	19,53	
"	22	...	188,05	21,24	44,09	68,43	331,81	22,85	354,68	32,54	146,16	7,20	45,51	2,46	101,24	19,54	
"	29	...	186,41	26,43	44,81	67,56	325,21	21,91	357,12	40,15	141,46	6,79	45,30	2,46	101,24	19,71	
March	7	...	177,28	22,61	42,94	67,97	310,80	22,89	348,68	24,25	135,33	5,13	55,34	2,22	101,75	19,67	
"	14	...	180,73	17,80	48,43	67,05	314,02	24,06	348,08	21,44	118,44	5,15	(13,63)	(69,23)	2,42	101,67	29,74
"	21	...	163,84	36,69	48,90	66,90	316,34	24,93	351,27	28,61	119,88	93	(19,94)	(67,28)	2,39	102,18	29,79
"	28	...	180,16	25,06	46,99	65,90	318,11	25,90	354,01	35,98	119,92	94	(61,37)	(27,82)	3,72	102,09	29,99

* Including capital and reserves, rupees ten crores.

† Including cash and short-term securities.
‡ Figures in brackets relate to advances to scheduled banks against usance bills and/or promissory notes under Section 17(4) (c) of the Reserve Bank of India Act, 1934.

STATEMENT 38

RESERVE BANK OF INDIA : BANKING DEPARTMENT SINCE 1935-36

(Reference paragraph 32)

Average of Friday Figures	LIABILITIES										ASSETS							(Lakhs of Rupees)			
	Deposits			Other Liabilities			Total Liabilities*				Loans and Advances held abroad			Other Investments and Disbursements							
	Central Government	Other Govern-ments	Banks	Others	Total	Assets	Notes and Coin	10	9	8	7	6	5	4	3	2	11	12	13	14	
1935-36	... 11,26		27,26	9	38,61	91	49,52	27,68	14,99	86	1	—	—	5,47	51						
1936-37	... 9,83		26,56	41	36,80	1,13	47,93	25,90	13,61	1,54	1	1	1	6,04	82						
1937-38	... 11,37		24,96	69	37,02	87	47,89	25,70	13,48	79	2	6	7,12	72							
1938-39	... 14,90		16,19	75	31,84	1,28	43,12	28,38	4,21	1,72	2	1,53	6,36	90							
1939-40	... 6,84		7,00	105	32,71	1,54	44,25	18,88	12,34	1,05	11	2,87	7,25	1,75							
1940-41	... 10,03		7,37	36,84	1,91	56,15	2,56	68,71	17,39	39,32	2,01	7	97	7,78	1,17						
1941-42	... 9,65		7,95	37,73	3,89	59,22	4,33	73,55	12,35	46,08	4,09	4	27	8,96	1,76						
1942-43	... 12,99		8,10	57,36	3,30	81,75	7,91	99,66	11,92	75,11	1,49	4	68	7,12	3,30						
1943-44	... 20,31		12,16	64,99	6,65	113,91	10,82	134,63	10,67	111,72	49	15	91	7,61	3,08						
1944-45	... 162,67		16,83	90,57	13,25	283,32	14,06	307,38	11,19	277,28	43	11	1,46	13,13	3,78						
1945-46	... 386,93		20,68	90,22	16,56	614,39	16,32	640,71	16,72	488,23	22	12	3,35	24,65	7,42						
1946-47	... 469,54		21,62	85,04	14,24	590,44	18,32	618,76	32,85	528,83	5	82	2,33	31,70	22,18						
1947-48	... 366,79 (21,20)		16,93 (2,43)	102,47	34,21	620,49	14,55	544,96	47,24	406,95	1,57	21	2,62	81,53	4,85						
1948-49	... 222,17 (14,83)		16,62 (3,04)	80,53	56,52	383,72	15,33	419,05	22,12 (—)	307,78	1,71 (1)	3,34	4,28	75,66	4,14						
1949-50	... 141,19		23,12	67,00	64,39	295,69	15,76	321,45	24,12	180,91	3,35	8,39	4,30	96,04	4,34						
1950-51	... 148,60		17,71	62,22	62,29	290,92	18,14	318,97	17,31	207,70	2,37	6,77	3,05	76,72	5,06						
1951-52	... 181,30		15,95	58,68	69,22	325,15	18,62	353,77	27,92	187,14	5,90	19,42	6,31	95,19	11,91						

April	...	... 131,92	27,86	49,21	62,24	271,24	21,28	302,52	15,08	201,09	5,28	10,55	3,07	62,04	5,41
May	...	... 129,22	22,49	52,39	59,91	284,01	20,43	294,44	15,75	197,66	2,80	10,33	3,03	59,52	5,36
June	...	... 133,36	17,47	54,26	60,76	285,84	19,66	285,50	25,47	191,14	3,68	10,04	2,15	58,23	4,79
July	...	... 139,10	14,57	67,24	61,07	281,98	18,39	310,38	36,52	200,13	1,92	8,74	2,44	56,41	4,21
August	...	... 142,33	17,05	68,18	60,95	288,50	19,84	318,34	25,96	221,65	—	5,17	2,68	60,06	2,83
September	...	... 156,13	17,47	77,20	61,05	311,85	11,78	333,63	23,50	223,03	62	4,24	2,05	77,29	3,00
October	...	... 157,40	17,11	74,45	62,19	311,14	13,52	334,66	10,81	230,88	45	3,49	1,07	84,63	3,33
November	...	... 149,61	18,92	76,87	61,86	307,05	14,82	331,87	12,89	224,86	33	3,60	1,08	85,40	3,71
December	...	... 155,98	13,75	66,96	60,76	297,44	17,26	324,71	11,09	206,59	2,94	4,38	2,41	92,45	4,86
January	...	... 163,24	12,11	51,91	59,76	287,02	18,35	315,87	9,05	202,38	4,70	4,32	4,66	84,22	6,15
February	...	... 164,73	12,81	52,03	63,28	292,86	20,23	323,09	10,83	200,06	3,71	4,59	3,95	92,31	7,63
March	...	... 157,99	21,18	54,86	72,36	306,39	22,51	338,89	10,46	196,33	2,13	11,13	7,59	102,21	9,04
1951-52															
April	...	... 138,74	29,96	53,29	74,16	298,16	23,67	329,88	8,01	191,03	4,88	14,82	11,83	83,69	10,57
May	...	... 137,21	27,66	51,31	76,50	282,67	24,25	326,92	14,92	183,81	6,98	18,40	4,24	87,33	11,25
June	...	... 147,61	18,95	55,62	72,47	294,65	23,46	328,11	33,54	166,71	7,45	16,19	4,01	87,66	12,56
July	...	... 163,34	16,00	67,02	70,89	317,25	15,23	342,48	31,35	203,12	5,79	8,50	2,71	86,01	5,00
August	...	... 196,43	10,86	73,49	68,61	349,39	9,78	369,17	43,25	221,23	5,07	5,65	7,94	81,72	4,31
September	...	... 204,59	12,94	78,36	67,63	363,52	9,88	383,40	49,13	215,59	5,09	5,86	8,22	96,11	3,41
October	...	... 195,63	14,53	74,56	66,57	351,49	13,07	374,56	34,22	209,52	5,04	6,69	7,14	108,32	3,63
November	...	... 203,03	10,14	62,72	64,79	340,68	15,00	365,68	30,23	201,76	5,04	6,39	9,17	103,66	9,44
December	...	... 205,38	7,91	49,82	65,74	328,85	20,03	358,88	19,01	196,44	6,52	11,64	7,94	99,99	17,35
January	...	... 205,50	7,71	47,20	68,48	328,89	22,56	361,45	14,65	180,36	8,06	31,35	6,82	101,19	19,02
February	...	... 197,53	12,16	43,80	68,48	321,87	22,86	354,83	24,21	153,91	7,44	45,25	3,26	101,24	19,53
March	...	... 175,50	25,54	46,81	68,95	314,82	24,45	349,96	27,62	123,39	3,04	63,30	2,69	101,92	27,30

Note.—Annual figures : Data for Burma excluded. Figures upto 1947-48 and for the three months April to June 1948 relate to undivided India and thereafter to the Indian Union. Figures shown in brackets for 1947-48 relate to Pakistan and are averages for the period April-June 1948. Figures shown in brackets for 1948-49 relate to Pakistan and are annual averages of weekly figures for the period April-June 1948.

* Including capital and reserves, rupees ten crores. † Including cash and short-term securities.

STATEMENT 39

RESERVE BANK OF INDIA : ISSUE DEPARTMENT

WEEKLY STATEMENT OF ASSETS AND LIABILITIES, 1951-52

(Reference paragraph 32)

1951-52	Friday	LIABILITIES			ASSETS			(Lakhs of Rupees)		
		Notes in Circulation††	Notes held in the Banking Department	Total Liabilities (Total Notes Issued)††	Gold Coin* and Bullion	Foreign Securities	Rupee Coin†	Rupee Securities	Percentage of 4-5 to 3	
				1	2	3	4	5	6	7
April	6	1,269.80	8.41	1,278.21	40.02	678.15	58.41	501.63	56.19	
	13	1,278.88	8.87	1,287.75	40.02	688.15	57.95	501.63	56.55	
	20	1,281.02	7.00	1,288.03	40.02	688.15	58.23	501.63	56.53	
	27	1,280.93	7.24	1,288.17	40.02	688.15	58.38	501.63	56.53	
May	4	1,294.17	8.18	1,302.35	40.02	688.15	57.55	516.63	55.91	
	11	1,302.47	9.30	1,311.77	40.02	698.15	56.98	516.63	56.27	
	18	1,305.91	15.97	1,311.88	40.02	698.15	57.09	516.63	56.27	
	25	1,286.28	25.71	1,311.99	40.02	698.15	57.20	516.63	56.26	
June	1	1,281.96	30.12	1,312.07	40.02	698.15	57.28	516.63	56.26	
	8	1,290.25	20.82	1,311.07	40.02	698.15	56.58	516.63	56.30	
	15	1,279.54	31.75	1,311.29	40.02	698.15	56.50	516.63	56.29	
	22	1,262.53	49.51	1,312.04	40.02	698.15	57.24	516.63	56.26	
	29	1,257.48	34.84	1,292.32	40.02	678.15	57.52	516.63	55.57	
July	6	1,254.53	22.68	1,277.22	40.02	663.15	57.42	516.63	55.05	
	13	1,241.81	35.86	1,277.67	40.02	663.15	57.88	516.63	55.04	
	20	1,220.85	27.86	1,248.71	40.02	633.15	58.92	516.63	53.91	
	27	1,201.61	38.48	1,240.09	40.02	623.15	60.29	516.63	53.48	
August	3	1,199.07	31.28	1,230.35	40.02	613.15	60.55	516.63	53.09	
	10	1,196.43	34.24	1,230.67	40.02	613.15	60.87	516.63	53.07	
	17	1,189.96	42.33	1,231.29	40.02	613.15	61.50	516.63	53.05	
	24	1,170.05	47.33	1,217.39	40.02	613.15	62.59	501.63	53.65	
	31	1,158.28	60.42	1,218.69	40.02	613.15	63.90	501.63	53.60	

September	7	..	1,167,56	50,72	1,218,28	40,02	613,15	63,49	501,63	53·61
"	14	..	1,161,64	57,11	1,218,75	40,02	613,15	63,96	501,63	53·59
"	21	..	1,141,83	44,77	1,186,60	40,02	598,15	65,30	483,13	53·78
"	28	..	1,130,67	43,33	1,174,00	40,02	598,15	67,70	468,13	54·36
October	5	..	1,145,91	27,56	1,173,47	40,02	598,15	67,17	468,13	54·38
"	12	..	1,150,66	22,74	1,173,40	40,02	598,15	67,10	468,13	54·39
"	19	..	1,135,28	38,95	1,174,23	40,02	598,15	67,93	468,13	54·35
"	26	..	1,128,26	47,04	1,175,29	40,02	598,15	68,99	468,13	54·30
November	2	..	1,140,76	34,03	1,174,79	40,02	598,15	68,49	468,13	54·32
"	9	..	1,141,65	17,92	1,169,57	40,02	583,15	68,27	468,13	53·74
"	16	..	1,134,47	25,51	1,159,98	40,02	583,15	68,68	468,13	52·72
"	23	..	1,126,19	34,46	1,160,65	40,02	583,15	69,35	468,13	53·69
"	30	..	1,122,58	38,49	1,161,07	40,02	583,15	69,77	468,13	53·67
December	7	..	1,140,52	19,54	1,160,06	40,02	583,15	68,76	468,13	53·72
"	14	..	1,143,30	16,60	1,159,89	40,02	583,15	68,60	468,13	53·73
"	21	..	1,140,08	20,12	1,160,19	40,02	583,15	68,89	468,13	53·71
"	28	..	1,141,09	19,22	1,160,31	40,02	583,15	69,01	468,13	53·71
January	4	..	1,153,33	16,39	1,169,71	40,02	593,15	68,41	468,13	54·12
"	11	..	1,159,34	9,85	1,169,19	40,02	593,15	67,89	468,13	54·15
"	18	..	1,157,02	12,35	1,169,37	40,02	593,15	68,07	468,13	54·15
"	25	..	1,150,11	19,51	1,169,62	40,02	593,15	68,32	468,13	54·14
February	1	..	1,152,87	16,94	1,169,81	40,02	593,15	68,51	468,13	54·13
"	8	..	1,165,24	13,52	1,178,76	40,02	603,15	67,46	468,13	54·56
"	15	..	1,161,20	17,55	1,178,75	40,02	603,15	67,46	468,13	54·50
"	22	..	1,146,94	32,39	1,179,33	40,02	603,15	68,03	468,13	54·54
"	29	..	1,139,60	39,97	1,179,56	40,02	603,15	68,26	468,13	54·53
March	7	..	1,154,61	24,17	1,178,78	40,02	603,15	67,48	468,13	54·56
"	14	..	1,157,52	21,32	1,178,84	40,02	603,15	67,54	468,13	54·56
"	21	..	1,147,44	28,68	1,176,12	40,02	603,15	68,32	464,64	54·69
"	28	..	1,141,11	35,82	1,176,88	40,02	603,15	69,13	464,64	54·65

Note.—Figures from October 1951 are net of adjustments made in respect of India notes returned from circulation in Aden.

† Including the balance of India notes retired from Pakistan and awaiting cancellation.

* Valued at the statutory rate of Rs. 21·3·10 per tola. † Including one rupee notes.

STATEMENT 40
RESERVE BANK OF INDIA : ISSUE DEPARTMENT SINCE 1935-36
(Reference paragraph 32)

Average of Friday figures	LIABILITIES		Total Liabilities (Total Notes Issued) or Assets	ASSETS				(Lakhs of Rupees)	
	Notes in Circu- lation	Notes held in the Banking Depart- ment		Gold Coin and Bullion†	Foreign Securities	Rupee Coin*	Rupee Securities	4 + 5 as percentage of (3)	
	1	2		3	4	5	6	7	8
1935-36	164,06	27,58	191,84	44,42	62,00	55,51	29,82	55.68	
1936-37	175,81	25,81	201,62	44,42	69,57	64,01	23,82	56.54	
1937-38	186,15	25,61	211,76	44,42	79,92	60,23	27,19	58.72	
1938-39	182,36	28,28	210,64	44,42	66,05	67,11	32,16	52.91	
	(7,97)	(1)	(7,98)						
1939-40	209,22	18,79	228,01	44,42	78,63	67,52	37,44	63.07	
	(11,09)	(8)	(11,17)						
1940-41	241,41	17,26	258,67	44,42	129,92	35,87	48,46	67.39	
	(13,38)	(20)	(13,58)						
1941-42	307,68	12,21	319,89	44,42	165,00	35,28	75,19	65.47	
	(20,20)	(23)	(20,43)						
1942-43	513,44	11,80	525,24	44,42	319,11	22,33	130,38	69.21	
1943-44	777,17	10,50	787,87	44,42	643,52	14,28	85,45	87.34	
1944-45	968,69	10,93	979,82	44,42	863,73	13,52	57,95	92.70	
1945-46	1,162,64	16,41	1,178,05	44,42	1,061,26	15,53	57,84	93.78	
1946-47	1,222,96	32,81	1,255,57	44,42	1,133,88	19,43	57,84	93.85	
1947-48	1,227,82	47,12	1,274,95	44,42	1,135,32	32,36	62,84	92.53	
1948-49	1,231,84	22,02	1,253,86	42,49	907,47	42,96	265,82	75.43	
	(5,58)	(—)	(5,58)			(90)			
1949-50	1,128,94	24,00	1,152,94	40,02	647,04	50,53	415,36	59.59	
1950-51	1,163,21	17,19	1,180,40	40,02	624,70	57,21	458,47	56.31	
1951-52	1,189,84	27,78	1,217,82	40,02	626,27	63,98	488,36	54.64	
1950-51									
April	1,188,54	14,95	1,203,49	40,02	650,34	55,35	457,77	57.36	
May	1,189,57	15,61	1,205,18	40,02	647,30	54,74	463,12	57.03	
June	1,179,11	25,36	1,204,47	40,02	638,15	54,64	471,67	50.30	
July	1,150,94	36,37	1,187,81	40,02	620,65	56,24	470,40	55.64	
August	1,125,89	25,83	1,151,72	40,02	590,65	58,17	462,88	54.76	
September	1,106,17	23,38	1,128,56	40,02	583,15	59,76	446,63	55.17	
October	1,109,47	10,68	1,120,15	40,02	583,15	60,36	436,63	55.63	
November	1,118,31	12,77	1,131,07	40,02	594,40	60,03	436,63	56.09	
December	1,144,18	10,96	1,158,15	40,02	619,15	59,35	436,63	57.06	
January	1,186,03	8,93	1,194,96	40,02	638,15	57,67	459,13	56.75	
February	1,215,14	10,72	1,226,86	40,02	653,15	56,07	476,63	56.55	
March	1,240,83	10,34	1,251,17	40,02	674,15	54,38	482,63	57.08	
1951-52									
April	1,277,66	7,88	1,285,54	40,02	685,65	58,24	501,63	56.45	
May	1,294,71	14,79	1,309,50	40,02	695,65	57,20	516,63	56.18	
June	1,274,35	33,41	1,307,78	40,02	694,15	56,96	516,63	56.14	
July	1,229,70	31,22	1,260,92	40,02	645,65	58,63	516,63	54.38	
August	1,182,56	43,12	1,225,68	40,02	613,15	61,88	510,63	53.29	
September	1,150,43	48,98	1,199,41	40,02	605,65	65,11	488,63	53.83	
October	1,140,03	34,07	1,174,10	40,02	598,15	67,80	468,13	54.35	
November	1,133,13	30,08	1,163,21	40,02	586,15	68,91	468,13	53.83	
December	1,141,25	18,87	1,160,11	40,02	583,15	68,81	468,13	53.72	
January	1,154,95	14,52	1,169,47	40,02	593,15	68,17	468,13	54.14	
February	1,153,17	24,07	1,177,24	40,02	601,15	67,94	468,13	54.46	
March	1,150,17	27,50	1,177,87	40,02	603,15	68,11	468,38	54.61	

Note.—From 1938-39 to 1941-42 Burma notes are shown within brackets below totals for India and Burmas. Figures up to 1947-48 relate to undivided India. Annual averages since 1948-49 are net of adjustments made on account of (i) transfer of liabilities to the State Bank of Pakistan in respect of inscribed Pakistan Notes issued between April and June 1948 and (ii) cancellations of India Notes returned from circulation in Pakistan under Section 4 (2) of Part IV of the Pakistan (Monetary System and Reserve Bank) Order, 1947, as amended. Figures within brackets for 1948-49 are annual averages of weekly figures for the period April-June 1948 in respect of inscribed Pakistan Notes in column 1 and Rupee coin in column 6. Figures from October 1951 are net of adjustments made in respect of India notes returned from circulation in Aden. † Valued at the statutory rate of Rs. 21.3-10 per tola. * Including one rupee notes from July 1940.

STATEMENT 41

SURVEYS OF BANK ADVANCES

(Reference paragraph 33)

(Grosses of Rupees)

	March 31, 1951		June 30, 1951		September 30, 1951		December 31, 1951	
	Amount	Per cent to total	Amount	Per cent to total	Amount	Per cent to total	Amount	Per cent to total
SCHEDULED BANKS								
No. of Reporting Banks ...	88		88		87		88	
<i>A.—According to Purpose :</i>								
Advances to—								
(1) Industry ...	196·1	33·6	208·6	35·7	182·8	34·4	194·9	33·4
(2) Commerce ...	310·2	53·1	294·5	50·4	263·7	49·6	308·1	52·8
(3) Agriculture ...	12·4	2·1	15·9	2·7	17·2	3·2	13·0	2·2
(4) Personal and Professional ...	42·5	7·3	39·6	6·8	40·9	7·7	42·9	7·4
(5) All Others ...	23·4	4·0	25·6	4·4	27·0	5·1	24·4	4·2
Total ...	584·6	100·0	584·3	100·0	581·6	100·0	583·3	100·0
<i>B.—According to Security :</i>								
Advances against—								
(1) Government and Trustee Securities ...	50·5	8·6	43·2	7·4	44·6	8·4	49·1	8·4
(2) Shares ...	53·5	9·2	51·8	8·9	49·7	9·4	51·4	8·8
(3) Merchandise ...	301·0	51·5	316·7	54·2	262·6	49·4	303·1	52·0
(4) Real Estate ...	21·5	3·7	20·9	3·6	21·1	3·9	22·2	3·8
(5) Bullion ...	13·7	2·3	12·3	2·1	13·8	2·6	16·0	2·7
(6) Other Securities ...	72·8	12·5	74·2	12·7	71·4	13·4	74·9	12·9
(7) Unsecured ...	71·5	12·2	65·2	11·2	68·5	12·9	66·5	11·4
Total ...	584·6	100·0	584·3	100·0	581·6	100·0	583·3	100·0
II. NON-SCHEDULED BANKS								
No. of Reporting Banks ...	449		454		450		438	
<i>A.—According to Purpose :</i>								
Advances to—								
(1) Industry ...	7·3	17·0	7·3	16·9	7·4	16·4	7·9	18·0
(2) Commerce ...	18·2	42·4	19·7	45·4	19·0	42·1	17·7	40·3
(3) Agriculture ...	2·5	5·9	2·4	5·5	2·7	5·9	2·5	5·7
(4) Personal and Professional ...	11·7	27·1	11·3	26·1	12·4	27·4	11·9	27·2
(5) All Others ...	3·3	7·7	2·6	6·1	3·7	8·2	3·0	8·8
Total ...	43·0	100·0	43·3	100·0	45·2	100·0	43·8	100·0
<i>B.—According to Security :</i>								
Advances against—								
(1) Government and Trustee Securities ...	0·2	0·4	0·3	0·6	0·3	0·7	0·3	0·6
(2) Shares ...	1·4	3·4	1·4	3·3	1·6	3·5	1·3	3·0
(3) Merchandise ...	8·5	19·7	10·1	23·3	8·3	18·4	8·5	19·6
(4) Real Estate ...	8·7	20·2	8·6	19·9	9·4	20·8	9·1	20·8
(5) Bullion ...	7·6	17·7	7·5	17·3	8·6	19·0	8·9	20·3
(6) Other Securities ...	6·2	14·4	6·1	14·1	6·5	14·2	6·0	13·7
(7) Unsecured ...	10·4	24·3	9·4	21·6	10·6	23·5	9·7	22·2
Total ...	43·0	100·0	43·3	100·0	45·2	100·0	43·8	100·0

STATE

SURVEYS OF OWNERSHIP

(Reference)

DEMAND DEPOSITS

SAVINGS DEPOSITS

	December 31, 1950			June 30, 1951			December 31, 1951			December 31, 1950			June 30, 1951			December 31, 1951		
	Amount	Per- centage	Amount	Per- centage	Amount	Per- centage	Amount	Per- centage	Amount	Per- centage	Amount	Per- centage	Amount	Per- centage	Amount	Per- centage	Amount	Per- centage
Scheduled																		
Business	...	254.5	52.4	249.5	52.0	235.8	51.7	2.0	1.5	1.9	1.4	1.7	1.2	—	—	—	—	
Personal	...	133.4	27.5	131.5	27.4	123.9	27.2	131.8	96.1	132.3	96.3	130.5	96.4	—	—	—	—	
Others	...	87.5	18.0	88.3	18.4	86.4	18.9	3.3	2.4	3.2	2.3	3.2	2.4	—	—	—	—	
Unclassified*	...	10.3	2.1	10.4	2.2	10.2	2.2	—	—	—	—	—	—	—	—	—	—	
Total	...	485.7	100.0	479.7	100.0	456.3	100.0	137.0	100.0	137.4	100.0	135.4	100.0	—	—	—	—	
Non-Scheduled																		
Business	...	3.6	52.9	3.5	48.8	3.0	46.4	0.3	6.7	0.4	7.6	0.3	6.8	—	—	—	—	
Personal	...	2.1	30.9	2.4	33.9	2.2	34.3	4.3	87.8	4.7	87.4	4.2	87.3	—	—	—	—	
Others	...	0.6	8.8	0.6	9.0	0.7	10.3	0.3	6.1	0.3	5.0	0.3	5.9	—	—	—	—	
Unclassified*	...	0.5	7.4	0.6	8.4	0.6	9.0	—	—	—	—	—	—	—	—	—	—	
Total	...	6.7	100.0	7.1	100.0	6.4	100.0	4.9	100.0	5.4	100.0	4.8	100.0	—	—	—	—	

Note.—There were 88, 86 and 85 reporting scheduled banks and 123, 126 and 125 non-scheduled banks for

* Accounts with balances of less than Rs. 500.

STATE

SURVEYS OF

(Reference)

Government Securities* Maturing

End of	No. of Report- ing Banks	Government Securities* Maturing							Shares Percent- age of Debent- ures	
		1	2	3	4	5	6	7	8	
Scheduled										
June 1950	...	92	93.5	26.4	109.5	56.3	61.5	17.3	354.4	88.0 13.2
December 1950	...	89	110.5	32.7	101.9	52.4	54.7	14.9	366.0	87.9 14.4
June 1951	...	87	77.3	25.8	179.6	59.9	42.9	14.3	299.8	84.6 13.8
December 1951	...	85	81.2	26.6	101.5	62.6	33.2	10.8	305.8	85.4 12.7
Non-Scheduled										
June 1950	...	98	1.0	12.2	3.9	47.6	3.3	40.2	8.1	79.4 1.1
December 1950	...	100	1.4	16.2	3.9	44.4	3.4	39.4	8.7	79.1 1.0
June 1951	...	123	1.4	16.0	4.4	50.0	3.0	33.9	8.9	79.4 0.9
December 1951	...	123	1.3	15.7	4.2	50.6	2.8	33.7	8.8	79.8 0.8

*Central and State Governments Securities.

MENT 42

OF DEPOSITS OF BANKS

paragraph 33)

(Crates of Rupees)

TIME DEPOSITS						TOTAL DEPOSITS					
December 31, 1950		June 30, 1951		December 31, 1951		December 31, 1950		June 30, 1951		December 31, 1951	
Amount	Percent- age	Amount	Percent- age	Amount	Percent- age	Amount	Percent- age	Amount	Percent- age	Amount	Percent- age
Banks											
58.2	25.7	55.8	24.7	64.6	28.1	314.7	37.0	307.2	36.4	302.0	36.8
128.1	56.5	124.7	55.1	123.0	53.5	393.3	46.3	388.5	46.1	377.3	45.9
39.1	17.2	44.2	19.5	41.0	17.8	129.9	15.3	135.7	16.1	130.6	15.9
1.4	0.6	1.4	0.6	1.4	0.6	11.7	1.4	11.8	1.4	11.6	1.4
226.7	100.0	226.1	100.0	230.0	100.0	849.6	100.0	843.2	100.0	821.6	100.0
Banks (Sample)											
3.6	21.6	3.9	21.4	4.0	22.9	7.5	26.4	7.8	25.3	7.2	25.3
11.7	70.0	12.3	67.7	11.5	66.8	18.1	63.7	19.5	63.3	17.9	62.9
0.8	4.8	1.3	6.9	1.1	6.4	1.7	6.0	2.2	7.1	2.0	7.2
0.6	3.6	0.7	3.9	0.7	3.9	1.1	3.9	1.3	4.2	1.3	4.4
16.8	100.0	18.2	100.0	17.3	100.0	28.4	100.0	30.8	100.0	28.4	100.0

the December 1950, June 1951 and December 1951 surveys, respectively.

MENT 43

INVESTMENTS OF BANKS

paragraph 33)

(Crates of Rupees)

Percentage of 10 to 20	Trustee Securities	Percentage of 12 to 20	Fixed Deposits	Percentage of 14 to 20	Others	Percentage of 16 to 20	Foreign Investments	Percentage of 18 to 20	Grand Total
11	12	13	14	15	16	17	18	19	20
Banks									
3.3	5.4	1.3	0.4	0.1	6.5	1.6	22.7	5.7	402.7
3.5	7.1	1.7	0.4	0.1	6.6	1.6	21.8	5.2	416.2
3.9	7.7	2.2	0.5	0.1	5.9	1.6	27.0	7.6	354.7
3.6	8.0	2.2	0.4	0.1	6.0	1.7	25.2	7.0	358.1
Banks (Sample)									
10.7	0.2	2.0	0.2	2.0	0.5	4.9	0.1	1.0	10.3
9.5	0.3	2.6	0.4	3.2	0.6	5.3	—	0.3	11.0
8.3	0.3	2.9	0.5	4.3	0.6	5.0	—	—	11.2
7.7	0.3	2.6	0.4	3.5	0.7	6.3	—	0.1	10.4

STATEMENT 44
INDEX NUMBERS OF SECURITY PRICES—ALL-INDIA

(Base: 1938 = 100)

(Compiled by the Department of Research and Statistics of the Reserve Bank of India)

(Reference paragraphs 38 & 39)

SUB-GROUP INDICES OF GOVERNMENT AND SEMI-GOVERNMENT SECURITIES

SUB-GROUP INDICES OF VARIABLE DIVIDED INDUSTRIAL SECURITIES

Average of weeks	Banks	Insur- ance	Invest- ment Trust	Electric- city & Trans- port	Ship- ping & other ways	Rail- ways	Plant- ations, etc.	Cotton, Woollen & Silk Mills	Jute Mills	Coal Mining & Oil	Iron and Steel	General Engi- neering	Sugar works	Bre- weries	Chemi- cals	Paper Cement			
1946-47 ..	195	292	297	137	295	105	284	437	275	284	196	278	324	219	332	282	367	208	
1947-48 ..	152	206	229	104	193	95	223	298	183	188	116	189	236	161	183	203	254	147	
1948-49 ..	133	159	193	87	144	90	157	202	112	129	82	150	192	183	117	176	125	134	
1949-50 ..	122	123	173	84	99	91	124	155	84	108	61	134	154	116	105	157	99	120	
1950-51 ..	123	124	163	89	94	92	153	158	93	121	72	160	176	101	102	173	114	136	
1951-52 ..	116	112	149	90	99	87	177	169	100	126	77	163	172	97	84	176	128	144	
April	1950	119	123	162	85	89	129	156	74	105	60	144	161	112	99	139	108	127	
May	"	121	125	163	86	87	91	143	156	83	112	64	148	165	111	101	164	118	129
June	"	121	125	164	85	85	90	145	153	81	112	63	146	162	110	96	164	122	128
July	"	122	124	165	85	88	90	144	151	88	113	62	151	164	109	97	172	107	130
August	"	127	123	168	87	100	92	156	156	100	120	67	168	180	113	103	179	109	138
Sept.	"	125	125	164	89	96	94	152	154	99	124	69	162	179	99	105	174	108	139
October	"	124	125	161	90	92	94	149	154	96	124	73	153	180	89	101	170	108	139
Nov.	"	123	125	162	91	91	95	150	156	96	124	73	156	180	88	102	171	108	140
Dec.	"	123	127	163	92	96	94	154	159	96	123	77	161	184	93	103	174	109	143
Jan.	1951	123	127	165	92	102	91	166	99	127	83	177	189	97	104	188	121	145	
February	"	123	117	162	92	101	90	173	165	98	130	81	175	183	96	104	184	124	135
March	"	122	118	160	93	106	90	177	164	107	136	88	176	189	97	108	181	133	136
April	"	122	119	166	95	111	92	182	175	118	145	88	195	200	103	112	184	140	139
May	"	121	121	163	94	114	92	192	184	114	144	87	193	202	103	96	193	141	140
June	"	120	119	159	94	111	93	196	186	112	143	87	192	199	103	88	194	141	143
July	"	119	115	152	93	102	91	187	177	101	135	79	174	176	96	87	181	126	142
August	"	118	115	147	93	96	90	180	170	96	127	75	160	168	94	89	175	123	146
Sept.	"	118	115	145	93	96	89	178	167	98	127	76	161	169	96	90	175	125	147
October	"	117	114	146	91	95	87	176	164	98	127	76	159	163	98	87	172	126	145
November	"	116	111	145	89	93	86	175	164	93	122	75	150	161	97	84	172	123	144
December	"	103	144	86	89	95	168	168	94	116	73	145	158	93	87	167	122	145	
Jan.	1952	112	105	142	86	81	167	165	94	113	72	146	158	96	71	171	124	150	
February	"	112	106	143	86	96	82	169	165	94	110	71	155	162	95	70	175	125	147
March	"	108	105	140	85	90	81	156	156	104	135	85	104	116	92	68	158	118	139

 Percentage
variations
of
March 1952
over

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STATEMENT 45

PRICES IN BOMBAY OF GOVERNMENT OF INDIA SECURITIES, 1951-52

(Reference paragraph 38)

LOANS	END OF											
	March 1948	March 1949	March 1950	March 1951	April 1951	May 1951	June 1951	July 1951	August 1951	Sept. 1951	Oct. 1951	Nov. 1951
Rs. a.	Rs. a.	Rs. a.	Rs. a.	Rs. a.	Rs. a.	Rs. a.	Rs. a.	Rs. a.	Rs. a.	Rs. a.	Rs. a.	Rs. a.
Terminables												
3 % 1951-54	102	2	101	2	101	4	100	9	100	8	100	6
3 % 1953-55	101	15	101	7	101	11	101	4	101	2	101	3
2½% 1954	98	19	98	6	98	15	98	14	98	14	98	13
2½% 1955	99	10	99	14	99	10	99	10	99	8	99	10
4½% 1955-60	113	4	111	8	110	4	108	4	108	0	108	0
3 % 1957	101	2	101	1	101	10	100	5	100	3	99	15
3 % 1958	101	2	100	12	101	5	98	13	98	2	98	4
3 % 1959-61	99	0	99	7	99	9	96	7	96	1	95	13
2½% 1960	111	12	110	6	110	2	108	3	108	2	108	0
4 % 1960-70	96	12	96	8	97	1	94	4	94	0	93	13
2½% 1961	99	0	99	0	99	4	95	7	95	1	94	12
2½% 1962	100	0	99	15	100	7	97	0	96	8	95	13
3 % 1963-65	99	14	99	15	100	5	95	13	95	13	95	15
3 % 1964	99	4	100	0	100	0	94	10	96	2	95	15
3 % 1965-68	98	8	96	8	95	12	91	0	90	4	89	4
3 % 1970-75	98	8	96	8	95	12	91	0	90	0	89	0
2½% 1976	98	8	96	8	95	12	91	0	90	0	89	0
Non-Terminables												
3 % Rupee Paper	97	14	97	14	97	0	93	0	92	14	92	14
3 % 1986 or later	97	14	97	15	97	0	92	14	92	14	92	11
3½% 1954-59	105	6	104	10	104	6	103	8	103	0	102	12
4½% 1955-68	116	4	114	14	112	10	111	8	111	4	111	4

STATEMENT 46

MONTHLY AND ANNUAL AVERAGE YIELDS AND ANNUAL HIGHEST AND LOWEST PRICES (IN BOMBAY) OF GOVERNMENT OF INDIA SECURITIES, 1951-52

(Reference paragraph 38)

(Per cent per annum)

LOANS	Monthly Average Yield, 1951-52												Annual Average Yield				1951-52										
	April			May			June			July			Oct.			Nov.			Dec.			Jan.			Feb.		
	1951	1952	1951	1952	1951	1952	1951	1952	1951	1952	1951	1952	1951	1952	1951	1952	1951	1952	1951	1952	1951	1952	1951	1952	1951	1952	
Under 5 years																											
3 % 1951-52*	...	1.80	1.69	1.76	1.52	2.36	2.44	2.42	2.36	2.44	2.41	2.76	3.08	3.00	3.04	3.09	1.51	1.83	100	9.1.67	100	2	0.15				
3 % 1953-55	...	2.42	2.43	2.44	2.42	2.57	2.57	2.56	2.57	2.57	2.57	2.78	2.80	2.86	2.86	2.86	2.86	2.45	101	4.2.41	99	11	3.19				
21/2% 1954	...	2.53	2.59	2.60	2.68	2.60	2.62	2.63	2.60	2.60	2.68	2.79	3.04	3.04	3.05	3.06	2.77	2.54	99	2.2.55	98	0	2.36				
21/2% 1955	...	2.69	2.62	2.61	2.60	2.60	2.60	2.60	2.60	2.60	2.67	2.87	3.48	3.47	3.45	3.43	2.85	2.57	99	11.2.68	98	1	3.04				
41/2% 1955-60	...	2.55	2.53	2.50	2.46	2.47	2.48	2.47	2.48	2.47	2.48	2.87	3.48	3.47	3.45	3.43	2.85	2.46	106	2.2.63	103	8	3.50				
Between 5 and 10 years																											
3 1/2% 1957	...	2.96	3.00	3.01	2.95	2.91	2.99	2.96	2.99	2.96	3.15	3.40	3.42	3.40	3.42	3.45	3.13	2.84	100	9.2.90	97	9	3.50				
3 1/2% 1958	...	3.17	3.20	3.22	3.19	3.14	3.17	3.17	3.17	3.17	3.37	3.64	3.63	3.60	3.63	3.67	3.35	2.95	100	9.3.00	97	8	3.44				
3 1/2% 1959-61	...	3.22	3.27	3.30	3.28	3.28	3.30	3.29	3.29	3.29	3.50	3.62	3.64	3.62	3.62	3.68	3.42	2.92	99	9.3.12	95	8	3.70				
21/2% 1960	...	3.00	2.99	2.99	2.98	3.01	3.03	3.00	3.03	3.00	3.29	3.75	3.78	3.77	3.77	3.77	3.29	2.93	96	7.3.20	92	2	3.83				
4 1/2% 1960-70	...	3.18	3.21	3.22	3.21	3.21	3.25	3.24	3.28	3.25	3.65	3.71	3.77	3.77	3.77	3.77	3.40	2.90	94	4.3.16	90	0	3.78				
21/2% 1961	...	3.18	3.21	3.22	3.21	3.21	3.25	3.24	3.28	3.25	3.65	3.71	3.77	3.77	3.77	3.77	3.40	2.90	94	4.3.16	90	0	3.78				
Between 10 and 15 years																											
21/2% 1962	...	3.25	3.30	3.30	3.31	3.31	3.34	3.35	3.34	3.35	3.47	3.67	3.74	3.78	3.79	3.79	3.47	2.93	95	7.3.23	90	14	3.79				
3 1/2% 1963-65	...	3.30	3.34	3.37	3.38	3.38	3.39	3.39	3.39	3.39	3.61	3.79	3.79	3.79	3.82	3.82	3.53	3.08	97	0.3.27	92	8	3.81				
3 1/2% 1964	...	3.30	3.36	3.38	3.39	3.39	3.40	3.41	3.41	3.41	3.67	3.72	3.72	3.73	3.73	3.75	3.51	3.10	97	3.3.27	92	10	3.76				
3 1/2% 1966-68	...	3.34	3.40	3.43	3.45	3.45	3.46	3.46	3.46	3.46	3.61	3.76	3.77	3.76	3.77	3.85	3.57	3.09	95	13.3.32	90	6	3.87				
Between 15 and 20 years																											
3 % 1970-76	...	3.35	3.38	3.42	3.42	3.42	3.43	3.43	3.43	3.43	3.69	3.92	3.84	3.84	3.83	3.88	3.58	3.10	94	10.3.32	87	3	3.98				
Over 20 years																											
21/2% 1976	...	3.32	3.37	3.38	3.39	3.39	3.41	3.41	3.41	3.41	3.53	3.74	3.82	3.83	3.83	3.83	3.54	3.06	90	12.3.29	83	0	3.82				
3 % Conversion Loan	...	3.23	3.23	3.23	3.23	3.23	3.24	3.24	3.24	3.24	3.43	3.73	3.74	3.73	3.73	3.75	3.41	3.15	92	14.3.23	80	0	3.75				
3 % 1986 or later*	...	3.23	3.23	3.23	3.23	3.23	3.24	3.24	3.24	3.24	3.43	3.73	3.75	3.75	3.75	3.75	3.42	3.15	93	0.3.23	80	0	3.75				
3 % Rupee Paper**	...	2.50	2.47	2.45	2.50	2.50	2.63	2.67	2.65	2.67	3.05	3.32	3.32	3.31	3.31	3.31	2.84	2.51	103	8.2.49	100	8	3.32				
3 1/2% 1984-86	...	2.74	2.73	2.72	2.70	2.73	2.76	2.78	2.78	2.78	3.09	3.33	3.53	3.52	3.51	3.51	3.02	2.72	111	6.2.73	105	8	3.55				

Note.—Income-tax is neglected in calculating yields. Yield to redemption; earlier or later date is taken according as the price is above or below par; since November 19, yields are calculated to earlier date of redemption.

* Redeemed on September 15, 1951.

** Issued on August 20, 1951.

*** Flat Yield.

STATEMENT 47

PRICES OF REPRESENTATIVE INDUSTRIAL SHARES, 1951-52

(Reference paragraph 39)

SCRIPTS	END OF						1951-52												
	June 1950			March 1951			September 1951			November 14, 1951*			December 26, 1952†			Highest		Lowest	
	1	2	3	4	5	6	7	8	9	10	11	Rs. a.	Rs. a.	Rs. a.	Rs. a.	Rs. a.	Rs. a.	Rs. a.	
Steel :																			
Tata Deferred	..	1,650	0	1,977	8	1,891	4	1,852	8	1,776	4	1,947	8	1,630	0	2,167	8	1,620	0
Tata Ordinary	..	324	12	371	0	336	8	328	0	320	4	353	0	315	8	404	0	308	0
Bengal Steel	..	20	10	26	4	22	6	21	4	18	14	21	12	17	0	29	9	16	10
Indian Iron	..	29	11	36	11	31	9	29	10	27	10	28	2	21	10	39	9	21	4
Textiles :																			
Bombay Dyeing	..	953	12	481	4	417	8	422	8	423	12	424	6	377	8	533	12	375	0
Kohinoor	..	294	0	351	0	312	8	320	0	324	8	321	0	289	0	398	8	282	0
Swadeshi	..	245	8	311	0	261	0	262	0	259	0	280	0	249	8	339	0	247	0
Buckingham	..	135	0	144	0	160	0	159	0	150	0	141	0	130	12	169	0	130	12
Banks and Insurance :																			
India	..	178	0	184	8	167	8	170	0	171	0	165	8	161	8	186	0	157	0
Central	..	82	4	78	8	83	0	77	0	70	8	71	8	68	0	80	8	67	0
Imperial	..	1,840	0	1,947	8	1,880	0	1,860	0	1,795	0	1,722	8	1,720	0	1,960	0	1,702	8
Oriental	..	4,870	0	4,625	0	5,145	0	4,750	0	5,460	0	4,950	0	4,950	0	5,725	0	4,500	0
New India	..	63	8	49	12	49	12	50	0	44	8	45	12	44	8	54	0	43	0
Jute :																			
Anglo-India	..	231	1	373	0	349	0	314	0	319	0	326	0	265	0	428	0	265	0
Howrah	..	29	12	42	12	34	0	32	11	31	10	30	8	24	14	44	0	24	0
Coal :																			
Bengal	..	510	0	603	8	590	0	560	0	574	0	552	0	498	0	648	0	489	0
Burrakur	..	13	8	16	14	16	7	15	1	14	14	13	2	11	3	13	1	10	14
Tes :																			
Hazimara	..	42	9	44	0	37	5	37	4	36	8	37	0	32	8	48	13	32	8
Patrakola	..	201	12	240	0	185	0	181	0	173	8	141	0	130	0	263	0	130	0
Miscellaneous :																			
Carew Sugar	..	8	2	9	12	7	1	6	7	6	5	6	10	5	7	9	14	5	7
Belapur Sugar	..	223	0	268	8	255	8	277	0	278	0	257	0	224	0	287	8	222	0
Chembra Peak	..	5	6	5	1	4	9	4	6	4	4	4	6	4	4	5	8	3	14
Cochin Malabar	..	5	5	10	12	9	12	9	15	9	12	12	0	6	10	12	4	6	10
Associated Cement Companies	..	164	0	165	0	176	0	177	4	182	4	176	4	165	8	190	8	164	8
Fertilizers and Chemicals, Travancore	..	5	13	7	4	6	3	5	12	5	15	4	15	4	10	8	3	11	-20
Scindia Steam	..	11	9	16	14	15	6	14	10	14	10	16	4	13	8	19	4	13	6

* Before the raising of the Bank rate.
† Before the issue of bonus shares.

* Before the commencement of the sharp break in the market following the steep fall in commodity prices.

† Before the commencement of the sharp break in the market following the steep fall in commodity prices.

STATEMENT 48

CONTROL OF CAPITAL ISSUES, 1951

(Reference paragraph 40)

(Rupees in Crores)

*Figures relate to undivided India upto August 15, 1947.

STATEMENT 49

CONTROL OF CAPITAL ISSUES (Reference paragraph 40)

CLASSIFICATION	17-5-1943 to 30-9-1945		1-10-1945 to 31-3-1947		1-4-1947 to 31-3-1948		1-4-1948 to 31-3-1949		1-4-1949 to 31-12-1949		1-1-1950 to 31-12-1950		1-1-1951 to 31-12-1951	
	N.	A.	N.	A.	N.	A.	N.	A.	N.	A.	N.	A.	N.	A.
(A) Percentage Distribution, Group-wise, of Immediate and Long-Range Schemes Combined														
I. Industrial	46.67	61.26	60.25	59.18	65.49	62.36	54.79	60.79	76.24	61.22	79.84	49.27	73.89	
II. Agricultural	7.21	5.42	6.58	3.16	5.40	1.70	2.87	3.25	2.64	1.24	4.18	0.70	3.50	
III. Financial	13.45	19.50	16.54	11.58	15.21	21.26	16.90	21.59	9.28	15.97	7.95	29.15	10.63	
IV. Trade and Transport	25.11	10.57	11.23	21.07	10.33	21.02	10.92	19.59	13.66	12.86	16.35	10.50	11.37	
V. Other Services	7.56	3.25	5.40	5.01	3.52	1.44	2.59	5.48	1.32	0.39	2.28	1.00	6.71	
VI. Total Non-Industrial	53.33	38.74	39.75	40.82	34.51	43.25	37.64	45.22	39.21	23.76	38.78	20.16	50.73	
VII. Grand Total—Industrial and Non-Industrial	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	
(B) Percentage Distribution in each Group Between Immediate and Long-Range Schemes														
I. INDUSTRIAL :														
Immediate	87.77	48.53	56.72	34.67	85.66	62.62	82.95	69.18	96.38	85.47	86.34	77.80	91.72	76.00
Long-Range	12.23	51.47	43.28	65.33	14.34	37.38	17.05	30.82	3.62	14.63	13.66	22.20	8.28	25.00
II. AGRICULTURAL :														
Immediate	99.63	98.94	91.03	77.62	95.05	82.73	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00
Long-Range	0.37	1.06	8.97	22.38	4.35	17.27	—	—	—	—	—	—	—	—
III. FINANCIAL :														
Immediate	98.82	96.95	90.31	71.49	95.38	93.09	97.30	97.09	100.00	100.00	100.00	100.00	100.00	100.00
Long-Range	1.18	3.05	9.69	28.51	4.62	6.91	2.70	2.91	—	—	—	—	—	—
IV. TRADE AND TRANSPORT :														
Immediate	98.63	69.24	82.71	41.38	81.82	30.24	84.21	35.48	100.00	100.00	95.35	81.53	100.00	100.00
Long-Range	1.37	30.76	17.29	58.62	18.18	69.76	15.79	64.52	—	—	4.65	18.47	—	—
V. OTHER SERVICES :														
Immediate	96.15	74.03	71.88	48.48	93.33	95.73	77.78	14.36	100.00	100.00	83.33	66.69	95.65	94.65
Long-Range	3.85	25.97	28.12	51.52	6.67	4.27	22.22	85.64	—	—	16.67	33.31	4.35	5.55
VI. TOTAL NON-INDUSTRIAL :														
Immediate	98.46	87.75	85.77	53.59	91.16	62.23	92.37	60.58	100.00	100.00	97.06	88.72	99.42	99.16
Long-Range	1.54	12.25	14.23	46.41	8.84	37.77	7.63	39.42	—	—	2.94	11.28	0.68	0.54
VII. GRAND TOTAL—INDUSTRIAL AND NON-INDUSTRIAL :														
Immediate	93.47	63.72	68.27	42.40	87.56	62.45	86.49	65.29	97.80	88.92	90.49	80.01	95.63	81.31
Long-Range	6.53	36.28	31.73	57.60	12.44	37.65	13.51	34.71	2.20	11.08	9.51	19.99	4.37	18.69

N. : Number or amount in rupees.
A. : Amount in rupees.

STATEMENT 50

PRICES (MONTHLY) OF BAR GOLD AND SOVEREIGNS IN BOMBAY, 1951-52

(Reference paragraph 46)

1951-52	Gold (per fine tons)						Sovereigns						Average estimated stocks of gold in Bombay*	
	SPOT			FORWARD *			SPOT			Sovereigns				
	Highest	Average†	Lowest	Highest	Average	Lowest	Highest	Average†	Lowest	Highest	Average†	Lowest		
April ... 118 10 0	114 9 0	116 9 6	118 7 0	114 6 0	116 10 5	80 0 0	78 4 0	79 4 5	79 4 5	78 4 0	78 4 0	79 4 5	56,250	
May ... 117 12 0	114 7 0	116 2 2	117 0 0	114 2 0	115 10 7	79 12 0	79 4 0	79 8 4	79 8 4	79 4 0	79 4 0	79 8 4	57,500	
June ... 117 11 0	113 11 0	116 4 10	116 6 6	112 8 0	115 4 4	78 14 0	78 14 0	78 14 0	78 14 0	78 0 0	78 0 0	78 7 7	38,000	
July ... 114 5 0	110 14 0	113 3 1	113 7 0	110 0 0	112 1 9	78 4 0	78 4 0	78 4 0	78 4 0	75 12 0	75 12 0	77 2 1	31,250	
August ... 114 8 0	113 0 0	113 11 10	114 0 0	112 5 0	113 0 7	78 2 0	78 2 0	78 2 0	78 2 0	77 6 0	77 6 0	77 11 9	50,000	
September 113 3 0	108 0 0	111 0 11	112 11 0	107 10 0	110 6 9	78 2 0	78 2 0	78 2 0	78 2 0	76 2 0	76 2 0	76 15 5	50,000	
October .. 109 11 0	105 15 0	107 15 6	109 7 0	105 13 0	107 8 5	77 0 0	77 0 0	77 0 0	77 0 0	75 12 0	75 12 0	76 7 0	57,500	
November 109 6 0	105 15 0	107 12 4	109 4 0	106 2 0	107 11 8	77 8 0	77 8 0	77 8 0	77 8 0	75 7 0	75 7 0	76 11 2	92,400	
December 108 15 0	104 1 6	105 8 7	107 3 0	104 6 6	105 12 10	75 10 0	75 10 0	75 10 0	75 10 0	74 14 0	74 14 0	75 5 0	1,22,500	
January ... 106 12 0	105 0 0	105 15 2	107 3 6	104 15 0	106 2 6	75 6 0	75 6 0	75 6 0	75 6 0	74 14 0	74 14 0	75 1 4	1,12,500	
February .. 105 7 0	100 3 0	104 3 3	105 4 0	100 0 0	104 0 5	75 2 0	75 2 0	75 2 0	75 2 0	73 6 0	73 6 0	74 11 6	96,000	
March ... 99 12 0	79 8 0	89 2 0	100 0 0	95 0 0	97 4 0	71 8 0	71 8 0	71 8 0	71 8 0	61 0 0	61 0 0	65 2 4	66,250	
1951-52 118 10 0	79 8 0	109 1 1	118 7 0	96 0 0	110 14 10	80 0 0	80 0 0	80 0 0	80 0 0	76 2 7	76 2 7	76 2 7	69,173	

The United States Treasury's price of gold: \$ 35 per fine ounce from February 1, 1934.

The United Kingdom Treasury's buying price of gold: £ 8-12-3 per fine ounce from June 9, 1945 and £ 12-8-0 from September 19, 1949.

*Monthly settlements; market for forward business officially closed from March 4 to May 6, 1952. In arriving at the highest, lowest and average prices all settlements have been taken into account. **Average of closing quotations on working days. †Average of week-end stocks.

Note.—Figures within brackets refer to dates of quotations.

STATEMENT 51

PRICES* (WEEKLY) OF GOLD AND SILVER AND ESTIMATED STOCKS IN BOMBAY, 1951-52
(Reference paragraphs 46 & 47)

1951-52	FRIDAY	Silver						Gold					
		Spot (Per 100 tolas gross)		Forward† or Discount (—) of spot over forward		Premium (+) or Discount (—) of spot over forward		Estimated Stocks (In bars of 2,800 tolas)		Spot (Per fine tola)		Forward (Per fine tola)	
		Rs. a.	Rs. a.	Rs. a.	Rs. a.	Rs. a.	Rs. a.	Rs. a.	Rs. a.	Rs. a.	Rs. a.	Rs. a.	Rs. a.
April	6	...	198 13	197 11	+ 1 2 {	+ 1 2 {	4,600	115 1½	116 1	+ 0 1	+ 0 1	50,000	
"	13	...	201 12	200 12	+ 1 0 {	+ 1 0 {	4,000	118 4	118 0	+ 0 4 {	+ 0 6 {	50,000	
"	20	...	199 12	198 10	+ 1 2 {	+ 1 2 {	4,000	116 15	116 12	+ 0 3 {	+ 0 2½ {	65,000	
"	27	...	202 7	201 11	+ 0 12 {	+ 0 12 {	4,000	115 4½	115 4½	-	-	60,000	
May	4	...	205 7	204 13	+ 0 10 {	+ 0 10 {	4,000	116 3	116 0	+ 0 3	+ 0 3	70,000	
"	11	...	205 11	204 9	+ 1 2 {	+ 1 2 {	3,800	115 4½	114 16½	+ 0 5	+ 0 5	60,000	
"	18	...	204 0	202 12	+ 1 4 {	+ 1 4 {	3,800	116 14	116 14	+ 0 12½ {	+ 1 1 {	50,000	
"	25	...	204 9	202 16	+ 1 1 {	+ 1 1 {	3,500	115 7	115 10	+ 0 13	+ 0 13	50,000	
June	1	...	205 3	203 3	+ 2 0 {	+ 2 0 {	3,400	116 4	115 7	+ 0 13	+ 0 13	50,000	
"	8	...	205 8	204 0	+ 1 10 {	+ 1 10 {	4,000	117 0	115 13½	+ 1 2½ {	+ 1 2½ {	30,000	
"	15	...	206 7	205 11	+ 5 8 {	+ 5 8 {	4,500	117 2	115 13½	+ 1 4½ {	+ 1 4½ {	30,000	
"	22	...	206 15½	205 3	+ 6 4 {	+ 6 4 {	6,000	116 7½	115 6½	+ 1 11½ {	+ 1 11½ {	40,000	
"	29	...	198 13	195 5	+ 3 8 {	+ 3 8 {	5,500	114 7	113 5	+ 1 2	+ 1 2	40,000	
July	6	...	197 13	195 1	+ 2 12 {	+ 2 12 {	5,500	113 0	112 3½	+ 0 12½ {	+ 0 12½ {	25,000	
"	13	...	199 12	199 0	+ 7 8 {	+ 7 8 {	6,000	114 4	113 6	+ 0 14 {	+ 0 14 {	25,000	
"	20**	...	202 8	202 8	+ 9 4 {	+ 9 4 {	9,000	112 11	112 8	+ 0 11 {	+ 0 11 {	25,000	
"	27	...	187 13	186 1	+ 14 0 {	+ 14 0 {	8,500	113 10	112 6	+ 1 4 {	+ 1 4 {	50,000	
August	3	...	191 11	189 11	+ 2 0 {	+ 2 0 {	7,600	113 12	113 3	+ 0 9	+ 0 9	40,000	
"	10	...	189 6	187 6	+ 2 0 {	+ 2 0 {	7,000	113 2	112 12	+ 0 6 {	+ 0 6 {	60,000	
"	17	...	188 2	185 10	+ 2 8 {	+ 2 8 {	6,500	113 11	113 10	+ 0 1 {	+ 0 1 {	50,000	
"	24	...	191 12	190 0	+ 1 12 {	+ 1 12 {	6,500	113 14	113 2	+ 0 12 {	+ 0 12 {	50,000	
"	31	...	189 7	187 15	+ 1 8 {	+ 1 8 {	6,700	113 8	112 14	+ 0 10 {	+ 0 10 {	50,000	

September	7	...	190	0	188	8	(189 4)	186	10	110	6	(112 1)	112	8
"	14+	...	188	2	186	12	+ 1 8	110	12	110	2	+ 0 15	50,000	
"	21	...	188	5	187	7	(187 7)	185	10	110	6	+ 0 4	60,000	
"	28	...	190	2	187	1	+ 0 11	185	14	110	6	+ 0 13	40,000	
October	6	...	188	4	186	14	+ 1 6	185	12	110	5	+ 1 2	56,000	
"	12	...	187	2	186	10	+ 0 12	186	13	109	11	+ 0 10		
"	19	...	187	7	186	3	+ 1 8	186	13	109	11	+ 0 7		
"	26	...	184	8	183	8	+ 1 4	186	13	108	6	+ 0 2		
November	2	...	186	1	183	15	+ 1 0	186	14	108	6	+ 0 6		
"	9	...	185	13	184	9	+ 0 2	184	9	107	6	+ 0 4	50,000	
"	16	...	188	3	185	5	+ 0 4	186	11	107	11	+ 0 4	72,000	
"	23	...	186	1	185	3	+ 0 8	186	11	107	11	+ 0 2	80,000	
"	30	...	187	2	185	12	+ 1 8	186	13	108	13	+ 0 3	1,00,000	
December	7	...	186	9	185	1	+ 1 8	186	10	107	6	+ 0 3	1,50,000	
"	14	...	187	3	185	9	+ 1 0	186	5	105	9	- 0 3		
"	21	...	187	14	186	6	+ 1 8	186	6	105	9	- 0 3	1,00,000	
"	28	...	188	10	187	4	+ 1 6	186	6	105	6	- 0 3	1,10,000	
January	4	...	190	6	189	0	+ 1 6	189	10	105	14	- 0 2	1,30,000	
"	11	...	192	0	(189 10)	190	+ 0 11	190	8	105	14	- 0 1	1,25,000	
"	18	...	193	10	(191 7)	192	+ 0 8	192	10	105	14	- 0 4	85,000	
"	25	...	194	6	193	3	+ 1 2	192	10	105	15	- 0 1	1,00,000	
February	1	...	192	11	191	5	+ 1 6	191	11	106	9	- 0 4	1,40,000	
"	8	...	193	11	(191 11)	192	+ 1 0	191	11	106	15	- 0 9		
"	15+	...	193	5	(192 7)	192	+ 0 8	192	7	106	6	+ 0 1	1,00,000	
"	22	...	187	10	186	2	+ 1 8	191	13	104	12	+ 0 3	90,000	
"	29+	...	184	14	183	4	+ 1 10	(183 13)	183	4	103	6	+ 0 2	90,000
March	7	...	168	0						100	7	+ 0 1	1,00,000	
"	14	...	144	0						(100 5)	+ 0 3			
"	21	...	164	0						3,500	90	4	90,000	
"	28	...	156	8						3,200	81	0	90,000	
										2,700	92	0	45,000	
										2,000	89	8	40,000	

* Closing quotations. † Monthly settlements; market for forward business officially closed from March 4 to May 6, 1952. When two settlement runs during one week, the quotation for the new settlement is shown in brackets. ‡ Market closed; preceding working day's quotations given. § Quotations as on the 21st. ** Quotations as on the 19th.

STATEMENT 52

SPOT PRICES (ANNUAL) OF GOLD AND SILVER IN BOMBAY AND IMPORT DUTIES

(Reference paragraphs 45 & 46)

Year	Gold (per fine tola)												Silver (per 100 tolas gross)																			
	Highest				Lowest				Average†				Import duty				Highest				Lowest				Average‡				Import duty			
	Rs.	a.	p.	Rs.	s.	a.	p.	Rs.	a.	p.	Rs.	s.	a.	p.	Rs.	s.	a.	p.	Rs.	a.	p.	Rs.	s.	a.	p.	Rs.	s.	a.	p.			
1926-27	..	21	11	6	21	4	6	21	7	8	..	..	..	..	72	0	0	..	55	8	0	..	63	1	5	..	..	..	..
1927-28	..	21	11	3	21	4	9	21	7	6	..	..	..	..	61	2	0	..	56	8	0	..	59	3	7	..	..	..	..
1928-29	..	21	11	6	21	4	6	21	10	0	..	..	..	..	66	6	0	..	58	2	0	..	60	9	7	..	..	..	..
1929-30	..	22	0	0	21	5	3	21	7	5	..	..	..	..	59	7	0	..	46	14	0	..	53	9	11	..	..	..	..
1930-31	..	21	13	3	21	3	6	21	12	6	..	..	..	..	57	4	0	..	39	0	0	..	46	15	1	..	..	..	..
1931-32	..	31	2	0	21	3	6	24	4	3	..	..	..	..	66	8	0	..	41	12	0	..	50	3	11	..	..	..	..
1932-33	..	32	1	6	26	10	0	29	5	2	..	..	..	..	60	0	0	..	48	14	0	..	52	11	4	..	..	..	..
1933-34	..	34	12	0	28	11	0	32	4	5	..	..	..	..	59	14	0	..	52	15	0	..	56	0	10	..	..	..	..
1934-35	..	36	13	3	33	3	0	35	15	8	..	..	..	..	69	0	0	..	50	7	0	..	60	13	5	..	..	..	..
1935-36	..	36	12	0	31	3	6	35	4	11	..	..	..	..	87	0	0	..	46	12	0	..	65	1	1	..	..	..	..
1936-37	..	35	8	0	33	15	3	34	12	6	..	..	..	..	56	2	0	..	47	0	0	..	50	5	8	..	..	..	..
1937-38	..	35	2	9	34	3	6	34	7	10	..	..	..	..	55	15	6	..	46	1	6	..	51	4	1	..	..	..	..
1938-39	..	37	10	6	34	12	3	36	10	3	..	..	..	..	53	1	6	..	48	2	0	..	51	11	3	..	..	..	..
1939-40	..	43	8	0	36	9	0	39	13	11	..	..	..	..	66	4	0	..	44	7	6	..	65	4	9	..	..	..	..
1940-41	..	48	8	0	40	2	6	42	6	0	..	..	..	..	64	13	0	..	54	10	0	..	62	8	0	..	..	..	..
1941-42	..	57	12	0	41	9	6	44	7	11	..	..	..	..	97	6	0	..	61	12	6	..	66	11	4	..	..	..	..
1942-43	..	72	0	0	44	12	0	57	10	10	..	..	..	..	116	8	0	..	75	4	0	..	94	2	6	..	..	..	..
1943-44	..	96	4	0	65	14	0	76	11	6	..	..	..	..	141	8	6	..	101	8	6	..	120	7	11	..	..	..	..
1944-45	..	76	12	0	61	2	0	71	7	4	..	..	..	..	143	4	0	..	113	10	0	..	128	10	9	..	..	..	..
1945-46	..	97	12	0	63	6	0	80	3	0	..	..	..	..	159	6	0	..	118	0	0	..	135	1	11	..	..	..	..
1946-47	..	111	0	0	84	4	0	101	1	2	..	..	..	..	195	0	0	..	127	0	0	..	162	4	10	..	..	..	..
1947-48	..	117	12	0	95	14	0	108	0	4	..	..	..	..	183	13	0	..	142	8	0	..	166	12	6	..	..	..	..
1948-49	..	121	0	0	103	0	0	114	9	10	..	..	..	..	190	8	0	..	166	3	0	..	177	9	0	..	..	..	..
1949-50	..	119	10	0	107	0	0	114	11	11	..	..	..	..	192	12	0	..	158	14	0	..	174	11	10	..	..	..	..
1950-51	..	120	2	0	104	12	0	113	7	4	..	..	..	..	198	12	0	..	173	14	0	..	185	14	3	..	..	..	..
1951-52	..	118	10	0	79	8	0	109	1	1	..	..	..	..	207	4	0	..	142	0	0	..	188	4	3	..	..	..	..

[e] [†] Average of closing quotations on working days. * Effective from March 1, 1942. ** Effective from September 30, 1942. [†] Effective from August 1, 1942. ^(c) Including a surcharge of 25 per cent. (b) Including a surcharge of 20 per cent. (a) Including a surcharge of 25 per cent. (d) Including a surcharge of 5 per cent. § Unofficial.

STATEMENT 53

PRICES (MONTHLY) OF SILVER IN BOMBAY, 1951-52 (Reference paragraph 47)

1951-52	Market Price (Per 100 tolas gross)						Average estimated stocks in Bombay†† (in bars of 2,800 tolas)	
	Spot			Forward†				
	Highest	Lowest	Average*	Highest	Lowest	Average*		
	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.		
April	... 204 13 0 (30)	197 12 0 (7)	200 13 4 (7)	204 3 0 (30)	195 15 0 (3)	199 9 6 (6)	4,150	
May	... 206 10 0 (10 & 11)	201 12 0 (28)	204 9 4 (9)	205 15 0 (7 & 8)	200 1 0 (20)	203 0 8 (8)	3,775	
June	... 207 4 0 (16)	197 9 0 (29)	203 15 9 (15)	207 0 0 (21)	192 0 0 (30)	200 12 5 (12)	4,680	
July	... 202 10 0 (19)	186 8 0 (26)	195 12 1 (12)	202 10 0 (19)	184 8 0 (26)	191 13 11 (13)	7,250	
August	... 193 6 0 (2)	187 9 0 (18)	190 3 7 (7)	191 14 0 (4)	185 1 0 (18)	188 8 1 (8)	6,860	
September	... 190 9 0 (25-27)	186 9 0 (15)	189 2 1 (2)	189 7 0 (7)	184 15 0 (15)	187 13 8 (13)	5,550	
October	... 190 4 0 (3)	183 2 0 (30)	186 12 11 (12)	188 15 0 (4)	182 0 0 (30)	185 15 9 (15)	4,200	
November	... 188 12 0 (10)	183 8 0 (1)	186 13 6 (13)	187 4 0 (16)	182 6 0 (1)	185 7 7 (7)	3,800	
December	... 189 10 0 (25 & 26)	184 14 0 (4)	187 11 5 (11)	188 11 6 (31)	183 6 0 (4)	186 3 2 (3)	3,250	
January	... 194 14 0 (28)	189 4 0 (2)	192 12 2 (12)	194 3 0 (28)	187 14 0 (2)	191 6 6 (6)	3,350	
February	... 194 7 0 (8)	184 6 0 (28)	191 3 3 (3)	193 0 0 (9)	182 12 0 (28)	189 15 1 (15)	3,500	
March	... 183 11 0 (1)	142 0 0 (15)	180 7 9 (7)	183 5 0 (1)	176 4 0 (3)	179 8 6 (8)	2,850	
1951-52	... 207 4 0	142 0 0	188 4 8	207 0 0	176 4 0	192 4 2	4,456	

*Monthly settlements; market for forward business officially closed from March 4 to May 6, 1952. In arriving at the highest, lowest and average prices, all settlement rates have been taken into account.

†Average of closing quotations on working days. ††Average of week-end stocks.

Note.—Figures within brackets refer to dates of quotations.

STATE

QUANTITY AND VALUE OF IMPORTS AND EXPORTS OF GOLD

(Reference)

IMPORTS:

	Gold Metal**		Gold Coin††		TOTAL	
	Quantity in ounces	Value in rupees	Quantity in ounces	Value in rupees	Quantity in ounces	Value in rupees
Average for 1900-01 to 1904-05 . . . . .	..	5,72,18,318	..	9,84,97,221	2,496,571	15,07,15,539
Average for 1905-06 to 1909-10 . . . . .	..	9,65,96,452	..	7,83,64,043	2,845,107	17,49,60,495
Average for 1910-11 to 1914-15	2,115,569	13,49,74,877	2,786,453	16,42,39,395	4,902,022	29,82,14,272
Average for 1915-16 to 1919-20	2,423,885	14,94,65,235	796,983	4,70,19,473	3,220,968	19,64,84,708
Average for 1920-21 to 1924-25	4,344,849	28,54,42,004	1,183,850	7,90,80,246	5,528,699	36,45,22,250
Average for 1925-26 to 1929-30	2,426,556	13,84,17,212	1,384,720	7,82,14,107	3,821,276	21,66,81,319
Average for 1930-31 to 1934-35	324,421	2,03,42,694	308,976	1,80,20,625	633,397	3,83,63,319
1935-36	56,200	50,72,099	47,261	44,23,311	103,461	94,95,410
1936-37	61,086	57,09,880	111,695	1,03,78,239	172,781	1,60,88,119
1937-38	39,967	34,61,069	131,699	1,22,23,092	171,666	1,56,84,161
1938-39	43,696	39,60,395	34,402	33,03,033	78,098	72,63,428
1939-40	26,231	27,26,503	44,692	44,97,696	70,923	72,24,199
1940-41	5,484	6,22,198	11	1,390	5,495	6,23,588
1941-42	2,496	2,96,375	442	50,255	2,938	3,46,630
1942-43	548	67,802	41,408	23,71,537	41,956	24,39,139
1943-44	18,908	35,84,367	3	625	18,911	35,84,992
1944-45	92,749	1,65,82,145	—	—	92,749	1,65,82,145
1945-46	10,994	22,02,853	—	—	10,994	22,02,853
1946-47	388,415	9,45,90,230	157	40,335	388,572	9,46,30,565
1947-48	350,465	9,82,24,007	5	121	350,470	9,82,24,128
Total for 31 years from 1900-01 to 1930-31 . . . . .	..	4,37,37,11,488	..	2,77,13,63,881	116,408,337	7,14,50,96,369
Total for 11 years from 1931-32 to 1941-42	758,033	6,04,20,990	684,684	5,56,68,696	1,442,717	11,60,88,676
Total for 6 years from 1942-43 to 1947-48	882,079	21,52,51,204	41,578	24,12,618	902,852	21,76,63,822
1948-49	1,081	2,92,806	4	1,109	1,085	2,93,915
1949-50	704	2,15,244	12	2,976	716	2,18,230
1950-51	3,312	9,80,736	1	329	3,313	9,81,065
1951-52	1,606	4,81,337	388	1,08,840	1,994	5,89,677

Note.—Upto and including 1941-42, figures relate to India and Burma. Figures upto the end of February 1948 are on a pre-partition basis (i.e., for undivided India), but those relating to the ports of Karachi and Chittagong have been excluded from August 1 and 15, 1947, respectively. Since March 1948, the data have been worked out on a post-partition basis (i.e., the figures include Indian Union's trade with Pakistan). Foreign trade of Kutch has been included from June 1948 and of Travancore, Saurashtra and Okha from April 1949. Foreign air-borne trade of Delhi air-ports has been included from April 1950. The figures for the year 1943-44 to 1945-46 do not include the sales of about 7·5 million ounces made in India on behalf of the Allied Governments. **Include transactions in respect of coined gold upto and including 1947-48, while later figures relate to gold met' only. ††Figures upto and including 1947-48 relate to sovereigns and other British gold coin only.

MENT 54

COIN AND METAL (PRIVATE AND GOVERNMENT) SINCE 1900-01

(paragraph 49)

EXPORTS

Gold Metal**		Gold Coin††		TOTAL		NET IMPORTS (+) OR EXPORTS (-)	
Quantity in ounces	Value in rupees	Quantity in ounces	Value in rupees	Quantity in ounces	Value in rupees	Quantity in ounces	Value in rupees
..	4,85,71,823	..	3,97,99,942	1,520,365	8,83,71,765	+ 976,206	+ 6,23,43,774
..	3,34,76,990	..	2,40,30,440	1,000,328	5,75,07,490	+ 1,844,779	+ 11,74,53,065
535,654	3,07,89,183	254,980	1,50,03,372	790,634	4,57,92,555	+ 4,111,388	+ 25,34,21,717
851,352	4,91,96,822	236,247	1,31,45,685	1,075,034	6,23,41,932	+ 2,145,834	+ 18,41,42,776
907,000	6,99,52,281	101,892	74,74,737	1,008,892	7,74,26,968	+ 4,519,807	+ 28,70,95,282
10,863	6,17,458	8,038	4,64,532	18,901	10,81,990	+ 3,802,375	+ 21,55,49,329
5,963,358	46,35,08,533	196,272	1,55,29,436	5,859,530	47,90,32,969	- 5,226,183†	- 44,06,09,650†
4,072,548	37,83,21,643	50,175	47,33,722	4,122,723	38,30,55,365	- 4,019,282	- 37,35,59,955
3,183,450	29,45,14,987	367	34,261	3,183,817	29,45,49,248	- 3,011,036	- 27,84,61,129
1,841,172	17,00,08,595	97,311	89,93,685	1,938,483	17,90,02,290	- 1,766,817	- 16,33,18,129
589,995	5,72,59,160	845,330	8,07,06,346	1,435,325	13,79,65,496	- 2,387,647*	- 23,26,02,068*
3,426,914	37,17,43,852	10,405	11,02,393	3,437,319	37,28,46,245	- 4,155,343†	- 44,64,30,422†
997,857	12,64,28,105	22,015	25,49,808	1,019,872	12,89,77,913	- 1,014,377	- 12,83,54,325
159,461	1,80,47,210	26,894	34,52,127	186,355	2,14,99,346	- 183,417	- 2,11,52,716
1,837	2,76,232	28,472	45,18,718	30,309	47,94,950	+ 11,647	- 23,55,811
2,684	5,52,111	8,215	16,98,280	10,899	22,50,301	+ 8,012	- 13,34,601
2,834	5,56,513	1,206	2,65,000	4,040	8,21,513	+ 88,700	- 1,57,60,632
1,824	3,80,431	19,239	46,14,214	21,063	49,94,645	- 10,060	- 27,91,792
3,390	9,25,227	99,628	1,42,99,481	103,018	1,52,24,708	+ 285,554	+ 7,94,05,857
639	1,83,606	2	722	641	1,84,328	+ 349,829	+ 9,80,39,800
..	1,16,79,48,968	..	49,95,98,572	27,157,745	1,66,75,47,540	+ 89,244,592	+ 5,47,75,47,829
42,500,805	3,72,88,11,911	2,038,768	17,92,14,489	44,584,573	3,90,81,26,410	- 44,911,823†	- 3,97,47,45,110†
18,808	28,74,120	156,782	2,53,98,415	169,970	2,88,70,535	+ 733,682	+ 18,93,93,287
405	1,27,676	-	-	405	1,27,676	+ 680	+ 1,66,239
55	90	-	-	55	90	+ 716	+ 2,18,130
1,215	3,72,881	-	25	1,215	3,72,906	+ 2,008	+ 6,08,159
401	1,25,298	-	-	401	1,25,298	+ 1,593	+ 4,64,379

*During 1930-31, there was a net import of 2,242,653 ounces valued at Rs. 12,75,18,115, while during the next four years, namely, 1931-32 to 1934-35, the net total exports amounted to 28,373,324 ounces valued at Rs. 2,33,08,66,366. *Including 1,030,420 ounces of gold valued at Rs. 10,19 lakhs earmarked on account of purchasers abroad. †Including 788,947 ounces of gold valued at Rs. 8,08,08,376 earmarked on account of purchasers abroad. ‡Including 1,819,367 ounces of gold valued at Rs. 18,27,08,376 earmarked on account of purchasers abroad during 1938-39 and 1939-40. §During the year, only 0.3 of an ounce valued at Rs. 90 was exported.

STATEMENT 55

QUANTITY AND VALUE OF IMPORTS AND EXPORTS OF SILVER (PRIVATE AND GOVERNMENT) SINCE 1900-01*

(Reference paragraph 49)

	IMPORTS		EXPORTS		NET IMPORTS (+) OR EXPORTS (-)	
	Quantity in ounces	Value in rupees	Quantity in ounces	Value in rupees	Quantity in ounces	Value in rupees
Average for 1900-01 to						
1904-05	81,897,274	14,64,66,929	24,847,996	4,58,25,015	57,049,278	+ 10,11,41,914
Average for 1905-06 to						
1909-10	98,327,973	17,76,32,250	9,290,601	2,30,88,229	87,037,372	+ 15,45,44,030
Average for 1910-11 to						
1914-15	78,187,324	14,13,58,602	17,156,028	3,52,17,579	61,011,301	+ 10,61,41,328
Average for 1915-16 to						
1919-20	117,681,324	30,70,50,485	10,955,709	2,74,11,840	106,725,615	+ 27,96,38,625
Average for 1920-21 to						
1924-25	88,745,101	19,19,90,085	15,136,478	3,45,78,258	73,608,623	+ 15,74,13,827
Average for 1925-26 to						
1929-30	110,236,394	17,49,50,243	22,882,522	3,65,09,196	87,353,872	+ 18,84,41,047
Average for 1930-31 to						
1934-35	37,808,897	4,95,80,893	46,660,021	5,78,19,136	9,351,124†	- 82,38,248†
1935-36	... ...	49,836,880	6,45,74,780	48,320,802	7,03,09,479	- 1,516,078 - 57,34,719
1936-37	... ...	112,255,948	13,87,64,460	2,144,483	28,47,436	+ 110,111,465 + 13,59,17,024
1937-38	... ...	19,565,063	2,50,39,330	7,619,840	99,56,495	+ 11,945,223 + 1,50,82,835
1938-39	... ...	11,441,073	1,49,01,895	7,404,495	91,10,280	+ 4,036,578 + 57,91,606
1939-40	... ...	31,041,720	4,10,47,739	17,219,624	2,02,03,452	+ 13,822,006 + 1,48,44,287
1940-41	... ...	8,643,502	1,41,61,597	20,954,329	3,42,31,547	- 12,310,827 - 2,00,69,950
1941-42	... ...	21,583,401	3,76,53,395	50,165,195	9,21,35,832	- 28,581,794 - 5,44,82,437
1942-43	... ...	1,558,908	28,72,603	35,871,861	8,57,89,032	- 34,312,953 - 8,29,16,429
1943-44	... ...	26,412,675	3,93,10,645	5,829,363	1,72,94,464	+ 20,583,312 + 2,20,22,181
1944-45	... ...	145,814,945	22,70,77,921	1,462,400	40,08,696	+ 144,352,545 + 22,30,69,225
1945-46	... ...	56,282,151	8,06,97,566	546,484	15,95,565	+ 55,735,667 + 7,91,02,001
1946-47	... ...	70,556,896	24,58,87,399	51,374	2,26,657	+ 70,505,522 + 24,58,60,742
1947-48	... ...	26,204,748	11,80,45,235	1,501	6,737	+ 26,203,247 + 11,80,38,498
Total for 40 years from						
1900-01 to 1939-40	3,275,962,119	6,22,94,75,564	817,355,994	1,41,81,61,916	2,458,606,125	+ 4,81,13,13,648
Total for 8 years from						
1940-41 to 1947-48	357,057,226	78,37,12,361	114,882,507	23,52,88,580	242,174,719	+ 52,84,23,831
1948-49	1,820,195	83,66,371	122	568	+ 1,820,073	+ 83,65,803
1949-50	149,021	5,75,011	77,870	3,50,206	+ 71,151	+ 2,18,805
1950-51	66,342	3,26,818	488	2,333	+ 65,854	+ 3,24,485
1951-52	1,66,659	8,64,135	229	1,143	+ 1,66,430	+ 8,62,992

Note.—Upto and including 1941-42, figures relate to India and Burma. Figures upto the end of February 1948 are on a pre-partition basis (*i.e.*, for undivided India), but those relating to the ports of Karachi and Chittagong have been excluded from August 1 and 15, 1947, respectively. Since March 1948, the data have been worked out on a post-partition basis (*i.e.*, the figures include Indian Union's trade with Pakistan). Foreign trade of Kutch has been included from June 1948 and of Travancore, Saursashtra and Okha from April 1949. Foreign air-borne trade of Delhi air-ports has been included from April 1950. *Government of India rupees are shown at face value. †During 1930-31, there was a net import of 80,535,935 ounces valued at Rs. 10,07,93,050, while during the next four years, namely, 1931-32 to 1934-35, the net total exports amounted to 127,291,557 ounces valued at Rs. 14,19,84,267.

STATEMENT 56

IMPORTS AND EXPORTS OF GOLD AND SILVER, 1951-52
(Private and Government)
(Reference paragraph 49)

	GOLD*						SILVER†					
	IMPORTS			EXPORTS			NET IMPORTS (+) OR EXPORTS (-)			EXPORTS		
	Quantity in ounces	Value in rupees	Quantity in ounces	Value in rupees	Quantity in ounces	Value in rupees	Quantity in ounces	Value in rupees	Quantity in ounces	Value in rupees	Quantity in ounces	Value in rupees
1951-52												
April	...	120	36,429	—	—	+ 120	36,429	23,565	1,24,612	—	—	+ 23,565 + 1,24,612
May	...	53	16,297	401 \$	1,25,298 \$	- 348	- 1,09,001	3,080	16,823	—	—	+ 3,080 + 16,823
June	...	111	33,666	—	—	- 111	- 33,666	11,419	62,809	—	—	+ 11,419 + 62,809
July	...	308	86,446	—	—	- 308	- 86,446	8,380	46,366	—	—	+ 8,380 + 46,366
August	...	16	4,598	—	—	- 16	- 4,598	31,321	1,64,230	—	—	+ 31,321 + 1,64,230
September	...	278	76,036	—	—	- 278	- 76,036	12,989	65,877	—	—	+ 12,989 + 65,877
October	...	3 1	7,468	—	—	+ 3 1	+ 7,468	20,800	1,04,081	229 \$	1,143 \$	+ 20,571 + 1,02,938
November	...	2	516	—	—	- 2	- 516	218	1,981	—	—	+ 218 + 1,981
December	...	256	72,360	—	—	- 256	- 72,360	15,448	76,933	—	—	+ 15,448 + 76,933
January	...	266	75,146	—	—	+ 266	+ 75,146	9,929	50,565	—	—	+ 9,929 + 50,565
February	...	396	1,38,707	—	—	+ 396	+ 1,38,707	23,056	1,18,987	—	—	+ 23,056 + 1,18,987
March	...	157	42,008	—	—	+ 157	+ 42,008	6,424	31,961	—	—	+ 6,424 + 31,961
Total	...	1,994	5,89,677	401 \$	1,25,298 \$	+ 1,568	+4,64,379	1,66,659	8,64,135	229 \$	1,143 \$	+ 1,66,430 + 8,62,992

*Comprising gold metal and gold coin.

†Comprising silver bullion and coin.

‡Relates to re-exports.

STATE
INDIA'S PUBLIC REVENUE,
(Reference)

		1938-39	1941-42	1942-43	1943-44	1944-45
CENTRAL GOVERNMENT						
I.—REVENUE ACCOUNT						
A.—(1) Revenue	...	84.47	134.56	177.09	249.96	335.70
(2) Tax Revenue	...	73.90	97.92	124.89	171.15	253.90
(3) (2) as percentage of (1)	...	87.5	72.8	70.5	68.5	75.6
(4) Non-Tax Revenue	...	10.57	36.05	52.20	78.80	81.81
B.—(1) Expenditure	...	85.11	147.86	238.87	439.88	496.85
(2) Defence (Net)	...	46.18	103.93	214.62	358.40	395.49
(3) (2) as percentage of (1)	...	54.3	70.6	74.3	81.5	79.7
(4) Civil Expenditure	...	38.93	43.33	74.25	81.46	100.76
C.—Surplus (+) or Deficit (-)	...	- 0.64	- 12.70	- 111.78	- 189.90	- 160.55
II.—CAPITAL ACCOUNT						
A.—Receipts						
Permanent Debt (Net)	...	—	—	16.04	240.01	203.11
Other Debt (Net)	...	17.83	70.38	199.20	9.12	293.74
Repayment of Loans and Advances granted by Central Government (Net)	...	2.53	3.16	7.06	14.92	22.38
B.—Disbursements						
Recoverable War Expenditure	...	—	194.00	325.48	377.87	410.84
Capital Outlay outside the Revenue Account	...	9.07	0.99	78.12	64.51	81.73
Redemption of Permanent Debt (Net)	...	3.24	97.99	—	—	—
Repayment of other Debt (Net)	...	—	—	—	—	—
Loans and Advances by Central Government (Net)	...	—	—	—	—	—
C.—Surplus (+) or Deficit (-)	...	+ 8.05	- 25.44	+ 144.18	+ 199.54	+ 437.51
III.—MISCELLANEOUS* (Net)						
IV.—OVERALL SURPLUS (+) OR DEFICIT(-)						
V.—CASH BALANCE						
Opening	...	11.31	14.68	15.94	18.23	83.66
Closing	...	13.14	15.94	18.23	83.66	266.28
VI.—CENTRAL GOVERNMENT DEBT AT THE END OF THE YEAR †						
(1) Sterling Debt ‡	...	464.94	206.93	50.56	34.70	34.19
(2) Rupee Loans	...	437.87	611.85	748.74	1,006.55	1,312.14
(3) Small Savings**	...	141.45	95.56	92.77	118.47	159.18
(4) Treasury Bills, Ways and Means Advances and TDRs.	...	46.30	136.98	204.70	110.61	86.70
(5) Total Interest-Bearing Obligations (including unfunded debt and deposits)	...	1,205.76	1,209.21	1,353.13	1,532.47	1,860.44

PART 'A' STATES

(1) Revenue	...	84.74	107.41	124.31	163.31	208.18
(2) Expenditure met from Revenue	...	85.76	103.48	118.18	153.85	204.28
(3) Surplus (+) or Deficit (-)	...	- 1.02	+ 3.93	+ 6.13	+ 9.46	+ 3.90
(4) Debt Position (Gross Total Debt)‡‡	...	163.20	169.15	170.26	196.28	174.35

Note.—Figures upto and including 1946-47 relate to undivided India; later figures relate to the Indian Union.

* Including Miscellaneous Deposits and Advances, Remittances and others. † Since 1946-47 accounts figures are not available. Items (1) and (5): Capital portion of Railway Annuities is excluded from 1942-43. ‡ Excludes Unfunded Debt. **Including since 1944-45 (1) Post Office Cash Certificates, (2) Savings Bank Deposits, (3) Defence Savings Certificates, (4) Defence Savings Bank Deposits, (5) National Savings Certificates, and since 1950-51 Ten-year Treasury Savings Deposit Certificates. ‡‡ Including (1) Permanent Debt, (2) Floating Debt, (3) Loans from Central Government and (4) Unfunded Debt.

MENT 57

EXPENDITURE AND DEBT

paragraphs 51 & 53)

								(Crores of Rupees)	
1945-46	1946-47	1947-48*	1948-49†	1949-50†	1950-51†	1951-52		Interim Budget (Feb. 1952)	Final Budget‡ (May 1952)
Revised		Revised				Revised			
361.19	342.89	178.77	371.70	350.89	410.66	497.67	424.98	404.98	
282.14	274.46	162.05	319.94	311.54	357.00	445.83	377.24	357.24	
78.1	80.0	90.7	86.1	88.9	86.9	89.6	88.8	88.2	
79.05	68.43	16.72	61.76	38.85	53.66	51.84	47.74	47.74	
484.61	342.49	185.29	320.86	317.12	351.44	405.06	406.25	401.25	
380.23	207.37	86.63	148.05	148.86	164.13	181.24	197.95	197.95	
74.3	60.4	46.8	45.5	46.9	46.7	44.7	48.7	49.3	
124.38	136.12	98.66	174.81	168.26	187.31	223.82	208.30	203.30	
-123.43	- 0.60	6.52	50.84	+ 88.27	+ 59.22	92.61	18.78	+3.78	
275.94	38.06	--	--	--	--	--	--	--	
160.81	125.84	--	317.71	124.14	59.00	51.99	19.76	32.76	
16.82	--	--	--	--	61.21	12.12	21.12		
374.54	51.62	--	--	--	--	--	--	--	
57.46	208.74	56.89	408.99	120.30	55.73	145.79†	68.17	78.42†	
--	--	18.62	47.54	28.32	7.76	--	--	--	
--	--	37.51	--	--	--	--	--	--	
--	12.15	20.39	28.66	55.57	57.63	63.87	64.85	77.85	
+405.11	- 56.99	-188.41	-167.48	- 80.05	- 62.04	- 96.46	-101.14	-102.40	
- 18.43	- 53.99	+ 29.25	+ 34.97	+ 2.98	+ 15.25	+ 0.15	+ 26.06	+23.07	
+263.25	-111.58	-110.68	- 81.67	- 48.80	+ 12.44	- 3.70	- 56.35	-75.60	
266.28	529.53	270.30	273.90	193.28	149.50	161.94	158.24	158.68	
529.53	417.95	159.62	192.23	149.48	161.94	158.24	101.89	83.08	
33.84	32.84	26.42	24.01	23.35	21.97	21.86	21.81	..	
1,492.22	1,529.75	1,517.09	1,478.39	1,452.15	1,438.46	1,402.10	1,427.10	..	
221.52	273.20	233.10	271.73	293.80	331.56	372.57	417.14	..	
83.33	79.20	86.84	373.33	361.48	378.20	335.01	330.01	..	
2,282.38	2,359.36	2,162.34	2,440.27	2,499.64	2,550.54	2,611.16	2,670.16	..	
229.33	238.80	202.77†	258.21	291.31	294.32	316.89	314.82	..	
218.14	230.09	184.19†	250.82	287.29	293.14	316.39	323.32	..	
+ 11.19	+ 8.71	+ 8.58†	+ 7.39	+ 4.02	+ 1.18	+ 0.50	- 8.50	..	
162.97	157.79	118.14	142.92	186.24	245.86	330.12	..	..

* From August 15, 1947 to March 31, 1948.

† Accounts of the Central Government not finalised.

‡ As presented to Parliament.

§ Accounts for the full year except for West Bengal and the Punjab.

|| Including Rs. 7.1 crores in 1951-52 and Rs. 10 crores in 1952-53 of the sale proceeds of the U. S. (Loan) Wheat transferred to the Special Development Fund.

STATEMENT 58

IMPORTANT HEADS OF REVENUE AND EXPENDITURE OF THE GOVERNMENT OF INDIA (On Revenue Account) (Reference paragraph 56)

(Crores of Rupees)

	1938-39	1949-50*	1950-51*	1951-52		1952-53	
				Budget	Revised	Interim Budget (Feb. 1952)	Final Budget (May 1952)
I. Revenue							
Customs	40.51	124.71	157.15	156.04	232.00	190.00	165.00
Union Excise Duties ...	8.66	67.85	67.54	79.62	84.30	86.00	86.00
Corporation Tax ...	2.04	39.53	40.49	32.73	37.55	30.53	30.53
(Excess Profits Tax) ...	—	(3.98)	(3.81)	(2.51)	(1.60)	(1.00)	(1.00)
Taxes on Income other than Corporation Tax† ...	15.24	121.50	132.73	132.22	137.45	119.47	124.47
(Excess Profits Tax) ...	—	(3.46)	(2.49)	(3.54)	(1.96)	(3.00)	(3.00)
Currency and Mint ...	0.58	11.22	12.27	12.32	11.31	10.39	10.39
(Profits of the Reserve Bank) ...	(0.20)	(..)	(..)	(9.50)	(8.34)	(7.50)	(7.50)
Net Contribution to General Revenues :							
Railways	1.37	7.00	6.50	7.26	7.34	7.65	7.65
Posts and Telegraphs	0.19	2.38	3.98	2.33	3.87	1.16	1.16
Total Tax Revenue†...	75.40	357.28	404.52	408.12	498.58	428.08	408.08
Percentage of Taxes on Income** to Total Tax Revenue	22.9	45.1	42.8	40.4	35.1	35.3	38.0
Total Revenue ...	84.47	350.39	410.66	401.89	497.67	424.98	404.98
II. Expenditure							
Direct Demands on Revenue	4.24	13.90	12.50	14.35	16.95	15.76	15.76
Irrigation	0.10	0.08	0.22	0.27	0.26	0.18	0.18
Debt Services†† ...	14.12	39.43	37.36	37.32	37.30	36.16	36.16
Civil Administration ...	10.90	39.30	48.80	54.29	56.66	55.98	55.98
Currency and Mint ...	0.36	2.08	2.55	2.61	2.81	3.20	3.20
Civil Works, etc. ...	2.52	6.53	10.38	13.31	13.25	14.96	14.96
Miscellaneous ...	3.63	52.44	52.88	44.60	66.44	50.92	40.92
Defence Services (Net) ...	46.18	148.86	164.13	180.02	181.24	197.95	197.95
Contributions and Miscellaneous Adjustments between Union & State Governments ...	3.06	2.96	15.59	15.43	18.08	20.28	20.28
Extraordinary Items ...	0.01	11.54	7.03	18.59	12.07	10.86	15.86
Total Expenditure met from Revenue ...	85.11	317.12	351.44	375.79	405.08	408.25	401.25
Surplus (+) or Deficit (-)	-0.64	+33.27	+59.22	+26.10	+92.61	+18.73	+5.73

Note.—Figures for 1938-39 relate to undivided India.

*Accounts are provisional. §As presented to Parliament. †Including States' share. **Including Corporation Tax.
††Including appropriation for reduction or avoidance of debt.

STATEMENT 59
CAPITAL BUDGET OF THE GOVERNMENT OF INDIA
(Reference paragraph 58)

(Crores of Rupees)

	1949-50†	1950-51†	1951-52		1952-53	
			Budget	Revised	Interim Budget (Feb. 1952)	Final Budget (May 1952)
I. Receipts						
New Loans	...	40.45	38.09	104.84	143.61**	26.06
Treasury Bills*	...	- 8.60	16.10	—	- 41.71	—
Treasury Deposit Receipts*	...	9.97	- 7.13	—	12.00	- 5.00
Other Floating Loans*	...	79.02	—	—	—	—
Treasury Savings Deposit Certificates*	...	—	5.47	12.00	15.00	15.00
Small Savings*	...	26.03	28.05	30.86	25.52	29.57
Other Unfunded Debt*	...	4.15	8.30	8.29	9.04	6.77
Railway Depreciation and Revenue Reserve Funds*	...	7.44	12.37	7.61	3.81	- 1.58
Railway Development Fund*	...	0.48	5.18	2.33	2.35	2.30
Other Reserve Funds*	...	1.54	0.16	- 0.34	0.27	- 0.15
Appropriation for Reduction or Avoidance of Debt*	...	5.00	5.00	5.00	5.00	5.00
E.P.T. and Income-tax Deposits*	- 15.20	- 33.21	- 34.29	- 48.99	- 26.62	- 26.62
Repayment of Loans by States	14.81	8.08	7.44	12.05	9.06	11.06
Special Development Fund††	—	—	—	71.00	—	10.00
Contingency Fund	...	—	15.00	—	—	—
Other Items*	...	16.92	19.09	21.59	7.89	- 12.62
Total Receipts	...	182.01	180.55	185.33	218.84	47.79
Deficit on Capital Account	...	80.05	62.04	77.83	96.46	101.15
Grand Total	...	262.06	182.59	243.16	313.80	148.94
II. Disbursements						
Capital Outlays :						
Railways	...	34.25	25.41	19.62	19.76	15.36
Industrial Development	...	9.18	8.90	10.56	8.91	9.85
Currency and Mint	...	79.53	3.12	0.33	0.31	0.33
Defence Capital Outlay	...	1.95	4.19	12.97	16.15	17.00
Grants to States for Development	...	17.03	1.42	—	—	—
Sterling Pensions	...	- 9.56	- 7.37	- 7.31	- 7.31	- 7.26
Special Development Fund††	—	—	—	71.00	—	10.00
Appropriation to the Contingency Fund	...	—	15.00	—	—	—
Other Heads	...	- 9.47	20.36	40.95	36.94	33.45
Discharge of Permanent Debt	...	68.77	45.85	90.71	91.62	6.30
Advances to States	...	54.75	61.46	62.62	63.78	57.84
Other Loans and Advances*	...	15.63	4.25	12.71	12.14	16.07
Total Disbursements	...	262.06	182.59	243.16	313.80	148.94
Grand Total	...	262.06	182.59	243.16	313.80	148.94
174.19						

*Accounts are provisional. **Including receipts of Rs. 90 crores on account of the American (Loan) Wheat.

††Transfers from the sale proceeds of the American (Loan) Wheat. *Figures are net.

STATEMENT 60

BUDGETARY POSITION OF PART 'A' STATES (Reference paragraph 60)

(Lakhs of Rupees)

States	REVENUE						EXPENDITURE						Surplus (+) Deficit (-)	Debt out- standing on March 31		
	Customs and Income Tax*			Land Revenue Tax			Total Revenue nu			Total Expen- diture						
	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	
Assam																
1938-39 (Accounts)	1.5	1.13	—	3.5	1.8	2.03	2.58	3.6	1	34	81	71	2.98	—	41	
1948-49 (Accounts)	2.32	1.68	24	95	1.8	6.39	9.24	72	10	1.89	1.68	9.56	—	32	1,40	
1949-50 (Accounts)	2.59	1.71	49	88	1.8	6.96	10.30	81	9	1.87	2.70	9.94	—	36	4,62	
1950-51 (Accounts)	2.21	1.90	56	93	2.4	7.06	9.92	81	7	1.86	2.84	9.28	—	64	3,33	
1951-52 (Revised)	2.31	1.68	71	91	2.6	6.90	10.25	98	11	1.86	2.31	10.88	—	63	2,80	
1952-53 (Budget)	2.23	1.65	57	76	2.6	6.52	10.06	1.02	16	2.15	3.68	12.60	—	55	3,48	
Bihar																
1938-39 (Accounts)	32	1.32	—	1.20	1.06	4.10	5.24	38	15	6	2.05	1.36	4.93	—	31	1,66
1948-49 (Accounts)	6.74	1.40	2.33	4.85	2.21	18.87	23.10	1.18	1.22	5	6.86	4.44	21.76	+ 1.34	2,79	
1949-50 (Accounts)	6.83	1.42	2.58	4.99	2.40	21.09	25.95	1.71	1.79	2	7.52	7.72	25.80	+ 1.15	4,56	
1950-51 (Accounts)	6.61	1.59	4.41	5.26	2.48	22.31	28.97	1.84	2.01	5	8.09	7.36	26.05	+ 2.92	7,53	
1951-52 (Revised)	6.98	1.60	3.50	5.34	2.49	22.21	35.65	2.44	2.44	1	8.90	9.91	34.22	- 1.43	11.22	
1952-53 (Budget)	6.71	1.59	3.10	5.80	2.57	22.11	31.43	1.84	1.69	4	7.85	8.85	29.80	+ 1.63	..	
Bombay																
1938-39 (Accounts)	30	3.55	—	2.90	1.44	9.83	12.45	1.77	51	1.26	3.16	2.99	12.80	- 35	25,55	
1948-49 (Accounts)	9.98	3.73	6.76	6.17	3.43	39.17	49.91	4.32	1.26	3.49	14.19	15.52	47.03	+ 2.85	15,93	
1949-50 (Accounts)	9.61	5.58	13.23	4.09	3.53	48.58	61.53	5.96	1.23	1.07	21.72	20.85	61.52	+ 1	25,77	
1950-51 (Accounts)	9.95	6.31	15.18	1.07	4.10	49.58	64.31	5.59	2.11	1.57	21.16	21.67	64.97	- 6	38,95	
1951-52 (Revised)	10.78	5.58	12.37	.95	4.40	47.36	61.98	5.63	1.95	1.41	19.96	21.13	62.26	- 1.18	47,90	
1952-53 (Budget)	10.60	6.30	11.47	1.07	4.36	46.70	61.54	5.67	1.73	1.67	19.60	21.29	63.18	- 1.64	..	
Madhya Pradesh																
1938-39 (Accounts)	8	2.12	—	64	37	3.80	4.27	65	25	—	1	1.63	97	4,71	- 44	6,45
1948-49 (Accounts)	2.81	3.43	1.43	2.19	82	13.93	17.38	1.63	18	2	4.59	3.96	16.80	+ 78	13,74	
1949-50 (Accounts)	2.74	3.65	1.99	2.24	89	15.39	19.00	1.91	1.3	4.2	5.13	4.61	19.26	+ 34	16,64	
1950-51 (Accounts)	2.84	3.75	2.35	2.31	1.00	16.48	19.65	2.00	23	3.5	4.87	4.63	16.74	+ 2.91	19,75	
1951-52 (Revised)	3.14	4.78	1.97	2.23	1.07	18.62	22.91	2.58	51	51	4.99	5.88	18.83	+ 3.08	21,86	
1952-53 (Budget)	3.03	4.56	1.70	2.23	1.07	17.15	20.74	2.37	41	1.08	4.99	5.90	18.83	+ 91	..	
Madras																
1938-39 (Accounts)	23	5.13	—	3.72	1.72	12.44	16.13	2.07	1.28	—	4.4	5.72	4.63	16.10	+ 3	14,48
1948-49 (Accounts)	8.42	4.98	13.03	3.67	4.06	40.88	53.33	4.80	2.52	—	4	16.10	15.96	53.33	-	33,49
1949-50 (Accounts)	8.23	5.55	15.24	59	4.33	42.42	55.89	5.08	2.74	—	28	17.25	18.07	56.64	+ 35	33,93
1950-51 (Accounts)	8.29	6.94	17.85	55	4.88	46.08	58.16	5.24	2.89	—	66	17.89	20.30	54.45	- 1,29	41,24
1951-52 (Revised)	9.15	7.77	16.26	39	5.28	49.66	63.48	5.92	3.18	—	87	18.12	23.38	63.58	- 10	51,69
1952-53 (Budget)	8.83	7.78	16.00	34	5.20	48.57	63.90	5.83	3.45	—	1,56	18.36	23.85	64,76	- 86	..

Orissa

1938-39 (Accounts)	4	46	—	33	18	1,10	1,82	18	13	1	61	44	1,81	+ 1
1948-49 (Accounts)	51	—	30	1,36	35	4,30	6,20	48	64	15	1,84	2,65	7,34	-1,14
1949-50 (Accounts)	98	62	1,82	55	6,47	10,82	76	70	20	3,16	3,32	11,67	-1,65	2,44
1950-51 (Accounts)	1,03	80	2,13	65	7,52	10,31	87	94	2	3,36	3,58	12,01	-1,70	6,70
1951-52 (Revised)	1,69	1,12	85	1,92	74	7,78	11,39	97	1,03	33	3,29	3,14	11,48	-1,9
1952-53 (Budget)	1,66	1,07	85	1,67	77	7,48	11,78	1,12	98	28	3,41	3,30	12,07	-28
Punjab†														..
1938-39 (Accounts)	12	2,64	—	1,02	78	5,02	11,36	86	1,50	—	21	3,31	3,22	11,61
1948-49 (Accounts)	2,09	1,37	27	2,38	52	7,67	18,08	1,14	68	—	64	5,01	3,68	16,89
1949-50 (Accounts)	2,29	1,76	1,39	2,32	46	9,36	16,86	1,20	86	—	27	5,23	3,87	16,12
1950-51 (Accounts)	2,61	1,84	1,78	2,08	65	10,35	16,81	1,37	98	—	3	5,05	4,14	16,06
1951-52 (Revised)	2,92	1,94	1,64	2,39	66	10,96	17,39	1,50	74	—	90	5,18	4,11	17,00
1952-53 (Budget)	2,78	1,95	1,58	2,16	67	10,72	16,92	1,64	89	—	3	5,25	4,18	16,95
Uttar Pradesh														..
1938-39 (Accounts)	23	5,82	—	1,33	1,28	9,70	12,80	1,54	1,13	61	4,09	3,54	12,80	—
1948-49 (Accounts)	8,84	6,76	2,27	6,53	2,34	35,65	49,20	3,98	2,31	86	15,14	14,42	49,18	+ 2
1949-50 (Accounts)	10,05	6,62	6,12	5,98	2,27	37,98	56,26	4,94	2,85	87	19,09	16,70	56,26	34,10
1950-51 (Accounts)	9,91	7,12	5,21	6,51	2,44	38,87	51,89	4,98	2,27	71	18,05	16,28	51,84	45,80
1951-52 (Revised)	10,49	7,35	4,95	6,16	2,40	40,45	57,06	6,65	2,87	71	18,11	16,73	57,06	51,51
1952-53 (Budget)	9,77	14,77	4,90	6,12	2,40	46,69	62,55	6,41	2,91	19,41	17,33	63,02	—	70,73
West Bengal‡														..
1938-39 (Accounts)	2,61	3,24	—	1,59	3,58	11,00	12,77	98	39	16	5,25	3,03	12,77	—
1948-49 (Accounts)	6,41	1,92	4,32	6,22	2,40	26,22	31,77	1,43	77	33	7,74	5,75	29,10	4,34
1949-50 (Accounts)	6,95	1,78	4,64	6,14	2,66	27,51	34,01	1,64	54	17	8,61	9,22	31,38	9,73
1950-51 (Accounts)	7,03	2,13	5,20	6,20	2,78	28,59	34,30	1,80	1,04	20	9,64	9,76	37,84	15,73
1951-52 (Revised)	7,67	2,09	5,50	6,19	2,89	30,01	37,68	1,97	1,29	12	10,73	11,49	40,08	24,50
1952-53 (Budget)	7,45	2,07	5,50	5,92	2,89	29,91	35,91	1,91	1,46	30	11,31	12,56	41,11	—
TOTAL														..
1938-39 (Accounts)†	3,08	25,41	—	13,08	9,59	58,02	79,42	8,79	5,35	1,78	26,63	20,89	80,52	-1,10
1948-49 (Accounts)	49,06	25,78	32,95	34,32	16,31	18,08	258,21	19,83	6,68	4,92	73,38	67,98	260,82	132,90
1949-50 (Accounts)	50,79	28,06	48,80	29,03	17,32	215,76	291,31	24,01	10,93	2,90	89,58	87,06	287,29	142,92
1950-51 (Accounts)	50,97	33,31	51,84	27,04	20,18	226,84	243,82	12,54	2,31	2,31	89,97	90,55	298,14	4,02
1951-52 (Revised)	55,03	33,91	47,74	26,07	20,19	223,95	316,89	14,12	4,14	91,32	98,03	316,39	186,24	
1952-53 (Budget)	53,06	41,74	46,67	26,07	20,19	285,75	314,82	26,81	13,86	3,74	92,83	100,94	323,32	245,86

Note.—Figures for 1952-53 are based on interim budgets.

* Under Article 273 of the Constitution, jute duty is wholly for Central purposes and, in lieu of a share thereof, the States of West Bengal, Assam, Bihar and Orissa receive grants-in-aid. Under the Deesmukhi Award, the total of these grants is fixed at Rs. 1,85 lakhs each for 1950-51 and 1951-52, which is included in the non-tax revenue of the States.

** Including appropriation for reduction or avoidance of debt.

† Including General Administration, Administration of Justice, Jails and Convict Settlements, Police, Ports and Pilotage and Miscellaneous Departments, Civil Aviation.

‡ Figures for 1938-39 relate to the pre-partition Province.

§ Based on actual returns furnished by the States.

STATE
BUDGETARY POSITION OF
(Reference)

REVENUE

States	Customs	Taxes on Income	Land Revenue	Sales Tax	Excise	Stamps	Total Tax Revenue
Hyderabad							
1949-50 (Accounts) <i>(6 months)</i>	... 1,78,57	—	2,55,48	10,81	5,15,40	18,91	10,24,72
1950-51 (Accounts)	... 3,54,41	—	4,47,11	72,51	9,08,67	49,35	20,01,09
1951-52 (Budget)	... 2,57,14	17,14	4,62,86	1,28,57	9,48,54	46,29	19,71,24
1951-52 (Revised)	... 3,55,71	12,86	4,75,71	85,71	9,85,71	48,00	20,87,57
1952-53 (Budget)	... 3,42,85	10,29	4,71,43	1,28,57	9,88,57	48,00	20,93,57
Madhya Bharat							
1949-50 (Accounts)	... 2,07,16	—	2,57,08	—	1,70,14	30,62	7,70,11
1950-51 (Accounts)	... 1,41,18	6,00	2,47,02	—	1,88,72	36,04	7,45,86
1951-52 (Budget)	... 1,35,59	16,00	3,03,76	75,00	1,79,57	33,40	8,44,50
1951-52 (Revised)	... 1,35,51	6,47	2,60,00	75,00 ^{\$\$}	1,90,00	40,95	8,00,85
1952-53 (Budget)	... —	7,57	3,30,00	75,00 ^{\$\$}	1,90,00	40,60	8,66,02
Mysore							
1949-50 (Accounts) <i>(9 months)</i>	... —	**	1,02,44	98,56	1,38,77	30,90	4,48,95 ^{††}
1950-51 (Accounts)	... —	—	1,29,00	1,40,32	2,00,47	49,33	6,48,01
1951-52 (Budget)	... —	—	1,40,20	60,00	2,03,92	45,84	6,57,23
1951-52 (Revised)	... —	—	1,39,71	1,22,55	2,16,02	49,51	7,28,39
1952-53 (Budget)	... —	—	1,44,39	95,75	2,01,41	47,47	6,85,89
Patiala and East Punjab States Union							
1949-50 (Accounts)	... —	65,67	82,63	—	1,83,82	12,97	3,85,95
1950-51 (Accounts)	... —	16,00	98,60	30,15 ^{§§}	1,89,51	15,47	3,05,45
1951-52 (Budget)	... —	22,00	1,00,00	25,15	1,47,08	20,00	3,44,23
1951-52 (Revised)	... —	14,83	1,00,00	45,00	1,90,00	18,00	4,11,68
1952-53 (Budget)	... —	10,58	1,07,01	35,00	1,60,00	22,00	3,72,98
Rajasthan							
1949-50 (Revised) <i>(6 months)</i>	... 1,88,65	2,50	1,86,58	—	1,23,45	18,00	5,79,52
1950-51 (Accounts)	... —	8,00	4,20,77	—	2,48,89	43,35	11,56,45
1951-52 (Budget)	... —	42,00	4,09,72	—	2,98,40	42,00	18,42,57
1951-52 (Revised)	... —	12,50	3,52,00	—	2,95,00	48,00	12,49,35
1952-53 (Budget)	... —	28,25	3,76,30	—	2,90,00	50,00	11,96,25
Saurashtra							
1949-50 (Accounts)	... 2,97,57	90,92	1,97,08	—	34,63	17,98	7,24,20
1950-51 (Accounts)	... —	—	2,24,90	6,02	14,64	22,10	3,60,96
1951-52 (Budget) [§]	... —	—	2,40,12	12,00	14,60	19,09	3,73,80
1951-52 (Revised)	... —	—	1,69,46	16,25	18,16	22,92	3,12,46
1952-53 (Budget)	... —	—	2,51,68	16,25	16,39	22,00	3,80,19
Travancore-Cochin							
1949-50 (Accounts) <i>(7½ months)</i>	... 1,20,56	1,52,14	28,97	1,14,61	2,00,26	45,53	7,67,79
1950-51 (Accounts)	... —	49,86	68,64	2,58,66	2,18,25	81,45	9,12,47
1951-52 (Budget)	... —	70,00	70,45	2,08,00	2,24,66	77,20	8,88,58
1951-52 (Revised)	... —	70,00	70,00	2,20,14	2,25,40	82,20	9,42,80
1952-53 (Budget)	... —	70,00	71,00	2,39,95	2,65,10	87,20	10,02,05
TOTAL							
1950-51 (Accounts)	... 4,95,59	79,86	16,86,04	5,07,66	20,28,95	2,97,09	62,80,99
1951-52 (Budget)	... 3,92,73	1,67,14	17,27,11	5,08,72	20,17,97	2,83,82	64,22,15
1951-52 (Revised)	... 4,91,22	1,16,66	15,66,88	5,64,65	21,31,19	3,09,53	65,38,10
1952-53 (Budget)	... 3,42,85	1,26,69	17,51,81	5,90,52	21,00,47	3,17,27	65,96,95

Note.—Figures for 1952-53 are based on interim budgets. [¶] Figures are in Indian Rupees. ** Not available; receipts from this head are included under grants-in-aid from Central Government placed at Rs. 236.81 lakhs representing the net transactions of items since became federal. §§ Estimated. ^{††} Excluding taxes on income. [†] Accounts are not available. [§] Estimates do not include supplementary grants.

MENT 61
PART 'B' STATES
(paragraph 68)

(Thousands of Rupees)

EXPENDITURE							(Thousands of Rupees)
Total Revenue	Direct Demands on Revenue	Irrigation	Debt Services*	Security Services**	Social Services†	Total Expenditure	Surplus (+) or Deficit (-)
14,77,20	1,10,57	51,58	1,35,63	4,91,75	2,46,52	18,88,94	+ 1,38,26
26,17,61	2,96,58	1,46,01	2,57,11	8,53,47	6,10,54	27,55,00	-- 1,37,39
27,62,98	3,03,63	98,56	2,10,03	7,76,31	7,10,42	27,78,62	-- 15,84
29,08,68	3,17,56	1,10,56	2,16,06	9,02,49	7,01,18	29,07,87	+ .81
26,56,17	3,29,66	60,37	2,20,51	6,72,76	7,26,85	27,01,48	- 45,31
10,44,55	84,64	17,75	21	4,42,22	2,59,73	10,81,62	- 37,07
9,84,45	91,58	32,90	36	2,90,96	3,41,72	11,13,46	- 1,29,01
11,31,00	1,01,31	47,06	46	3,47,96	3,57,14	11,38,00	- 5,00
10,86,00	1,03,45	38,08	47	3,21,34	3,72,00	10,88,00	- 20,00
10,98,00	1,17,72	33,25	2,97	3,07,43	3,81,02	10,91,00	+ 5,00
11,05,53	50,31††	23,32	79,41	1,45,74††	4,40,25	10,78,87	+ 27,16
14,40,50	80,14	18,63	91,49	1,85,28	6,54,22	13,51,59	+ 88,91
18,80,69	96,70	78,76	1,02,11	2,05,86	6,44,49	14,18,23	- 37,54
18,93,93	89,54	1,01,05	93,77	2,12,04	9,88,21	18,61,80	+ 32,13
19,82,85	96,42	61,54	1,20,40	2,30,79	11,76,36	20,66,80	- 83,95
5,98,51	30,60	25,97	1,85	2,82,85	82,63	5,64,71	+ 33,80
6,04,34	39,83	24,73	12	1,43,76	1,19,10	5,08,11	+ 1,01,23
4,91,50	43,83	27,94	1,94	1,67,81	1,15,66	4,89,84	+ 1,66
6,10,02	48,67	30,24	1,31	1,69,66	1,16,42	5,12,20	+ 97,82
5,90,97	72,02	43,55	1,46	1,76,25	1,84,19	6,53,63	- 62,66
8,38,95	72,50	10,36	6,60	3,07,50	1,77,69	8,08,79	+ 27,16
14,60,53	1,62,65	32,07	20,98	4,73,18	3,86,77	13,91,29	+ 69,24
16,05,17	2,29,22	65,00	25,00	5,21,10	4,54,83	16,20,17	- 15,00
15,96,52	2,24,48	69,25	21,10	5,19,52	4,44,89	16,08,31	- 6,79
16,32,18	2,42,48	90,75	29,00	5,34,10	4,78,46	17,25,66	- 93,48
10,41,18	44,07	11,54	4,21	2,87,60	1,77,37	9,69,24	+ 71,94
7,78,97	40,71	22,19	2,75	2,78,21	2,31,51	7,42,21	+ 34,76
8,07,54	50,83	22,49	9,14	2,71,62	2,75,65	8,05,40	+ 2,14
7,64,15	47,82	44,83	11,53	2,91,68	2,23,96	7,88,68	- 29,53
8,78,24	97,14	36,36	6,79	2,85,03	2,56,43	8,71,94	+ 1,30
9,23,81	78,44	5,08	71,67	1,40,62	2,08,69	7,99,29	+ 1,24,62
13,99,14	1,12,51	3,44	1,04,70	1,65,76	3,94,81	12,73,72	+ 1,25,42
14,87,22	1,31,96	51,08	99,26	1,88,39	4,96,83	14,91,33	- 4,11
17,05,10	1,27,98	49,20	85,11	1,85,04	4,77,57	15,55,41	+ 1,49,69
16,30,73	1,30,43	61,00	48,50	1,95,49	5,04,02	16,28,15	+ 4,68
92,83,54	8,94,00	2,79,97	4,77,51	23,90,82	27,38,67	91,30,88	+ 1,53,16
96,66,10	9,68,57	3,90,89	4,48,34	24,79,05	30,55,02	97,38,59	- 75,48
105,44,40	9,59,50	4,44,21	4,29,95	26,02,67	33,24,23	108,20,27	+ 2,24,13
104,62,14	10,94,87	3,86,82	4,29,72	24,01,85	37,07,33	107,36,66	- 8,74,52

*Including appropriation for reduction or avoidance of debt. **Including General Administration, Military, Courts, Jail and Convict Settlements, Police, Ports and Pilotage and Miscellaneous Departments.

†Including Scientific Departments, Education, Medical, Public Health, Agriculture, Veterinary, Co-operation, Industries, Rural Development, Labour Welfare, Aviation and Broadcasting. ††Excluding defence expenditure for which data are not available.

**STATE
RAILWAY
(Reference)**

		1924-25	1929-30	1934-35	1938-39	1941-42	1942-43	1943-44
1	Capital-at-charge	... ... 6,07,69	2 7,35,22	3 7,51,96	4 7,55,26	5 7,54,73	6 7,72,62	7 7,80,73
2	Gross Traffic Receipts	... 1,03,18	1,04,37	91,76	90,62	1,35,17	1,55,48	1,85,43
3	Operating Expenses	... ... 53,17	56,32	50,03	54,01	63,54	68,98	90,10
4	Appropriation to Depreciation Reserve Fund	... ... 9,93	12,11	13,18	12,56	12,68	12,57	10,87
5	Payments to Worked Lines as Share of Earnings	... ... 3,64	3,24	2,62	2,61	3,33	2,71	1,87
6	Net Traffic Receipts	... ... 36,44	32,70	25,33	30,44	55,62	71,22	76,59
7	Net Miscellaneous Receipts	... -73	12	37	23	90	1,88	2,78
8	Net Revenue	... ... ... 35,71	32,82	25,70	30,67	56,52	73,10	79,37
9	Interest Charges	... ... 22,98	28,87	30,30	29,30	28,44	28,03	28,53
10	Contribution to General Revenues	... ... ... 6,78*	6,12*	-	1,87	20,17	20,13	37,64
11	Surplus or Deficit	... ... 12,73	3,95	-4,60	1,37	28,08	45,07	50,94
12	Transfer to Revenue Reserve Fund†	... ... ... 6,38*	-2,08*	-	-	-	8,86	13,20
13	Transfer to Development Fund‡ -	-	-	-	-	-	-
14	Repayment to Depreciation Reserve Fund	... ... -	-	-	-	7,91	22,38**	-
15	Ratio of Working Expenses to Gross earnings	... ... 65·6	69·2	73·0	69·4	58·1	53·3	59·0
16	Ratio of Net Profit (Item 11) to Capital-at-charge	... ... -	2·1	0·5	-0·6	0·2	3·7	5·8
17	Percentage of Net Traffic Receipts (Item 6) to Capital-at-charge	... ... ... 6·0	4·5	3·4	4·0	7·4	9·2	9·8

Note.—Figures upto and including 1946-47 relate to undivided India, while later figures relate to the Indian Union. From 1950-51, data for ex-India State Railways have been included.

* Including Burma Railways. † Known as Railway Reserve Fund till the end of 1949-50.

‡ As from 1950-51, a Railway Development Fund was set up, in which was merged the Betterment Fund.

** Includes Rs. 6,80 lakhs transferred from Railway Reserve.

MENT 62

FINANCES

paragraph 74)

(Lakhs of Rupees)

1944-45	1945-46	1946-47	1947-48†	1948-49	1949-50	1950-51	1951-52	1951-52	1952-53	
									Interim Budget (Feb. 1952)	Final Budget (May 1952)
8 7,87,00	9 7,96,85	10 8,07,76	11 6,67,43	12 7,01,80	13 7,36,14	14 8,27,04	15 8,32,05	16 8,46,80	17 8,62,15	18 8,62,16
2,10,38	2,25,74	2,03,35	1,01,00	2,13,10	2,36,35	2,63,01	2,79,50	2,88,06	2,98,47	2,82,16
1,23,34	1,45,09	1,56,67	84,79	1,60,41	1,81,53	1,80,23	1,86,75	1,95,72	2,02,70	1,87,69
17,01	17,05	13,21	6,81	11,20	11,58	30,00	30,00	30,00	30,00	30,00
1,93	2,36	1,82	63	1,62	1,80	25	22	22	24	24
74,10	61,24	31,65	8,76	39,78	41,44	52,53	62,53	62,12	65,53	64,23
3,24	4,14	3,39	1,77	2,56	-3,67	-4,97	-7,31	-6,71	-6,66	-6,76
77,34	65,38	35,04	10,53	42,34	37,77	47,56	55,22	55,41	58,87	57,47
27,45	27,18	26,52	13,27	22,36	23,18	—	—	—	—	—
32,00	32,00	5,40	—	7,34	7,00	32,51§	33,37§	33,35§	34,00§	34,00§
49,89	38,20	8,52	-2,74	19,98	14,59	15,05	21,85	22,06	24,87	23,47
17,89	6,20	12	-2,74	—	—	5,05	11,85	12,06	12,87	11,47
—	—	3,00	—	84	—	10,00	10,00	10,00	12,00	12,00
—	—	—	—	11,80	7,59	—	—	—	—	—
66·0	71·8	83·5	89·2	79·8	81·7	80·7	78·0	79·0	78·3	77·6
6·3	4·8	1·1	-0·4 (-0·7)*	2·8	2·0	2·8	2·6	2·6	2·9	2·7
8·4	7·7	3·9	1·3 (2·1)*	5·7	5·6	6·4	7·5	7·3	7·6	7·4

† From August 15, 1947 to March 31, 1948. § Amount paid as Dividend to General Revenues at 4 per cent on Capital-at-charge in lieu of interest charges and the ad hoc contribution to General Revenues. * Estimated percentage for twelve-month period.

STATEMENT 63

RAILWAYS : RECEIPTS AND WORKING EXPENSES (Reference paragraph 75) 1950-51

	Revised	Accounts	1951-52		1952-53	
			Budget	Revised	Interior Budget (Feb. 1952)	Final Budget (May 1952)
GROSS TRAFFIC RECEIPTS						
Passenger Earnings	... 161.16	97.84	115.62	113.22	112.19	112.19
Other Coaching Traffic Earnings	... 16.75	16.64	15.70	19.65	19.40	19.40
Goods Earnings	... 145.61	143.01	143.72	151.23	161.97	145.66
Other Earnings	... 4.87	4.86	4.75	4.62	4.70	4.70
Suspense	... 0.12	0.06	- 0.29	- 0.66	0.21	0.21
TOTAL	263.40	263.01	278.50	288.06	298.47	282.16
WORKING EXPENSES						
Administration	... 23.50	23.36	24.24	24.95	25.67	25.67
Repairs and Maintenance	... 36.15	36.41	38.36	62.58	64.22	63.03
Operating Staff	... 30.73	30.72	30.55	39.82	41.06	41.06
Operation (Fuel)	... 12.71	13.35	12.67	14.23	14.13	13.52
Miscellaneous	... 18.82	19.39	19.01	20.80	20.84	19.37
Labour Welfare	... 3.28	3.19	3.40	3.72	3.85	3.85
Suspense	... - 2.20	- 2.30	- 1.21	- 2.23	- 1.06	- 1.06
Depreciation	... 30.00	30.00	30.00	30.00	30.00	30.00
Payments to Worked Lines	... 0.24	0.25	0.22	0.22	0.24	0.24
TOTAL	210.55	210.48	216.97	225.94	232.94	217.88
Net Miscellaneous Expenditure	... 6.04	4.97	7.31	6.71	6.66	6.76

STATEMENT 64

INCOME-TAX AND OTHER PAYMENTS MADE BY THE CENTRE TO PART 'A' STATES

PAID TO	INCOME-TAX		JUTE DUTY†		GRANTS-IN-AID	
	1938-39	1950-51	1938-39	1950-51	1938-39	1950-51
Assam	3.00	1.40.91	1.56.93	1.51.44	11.69	1.69.00
Bihar	15.00	5.87.13	6.53.88	6.31.00	17.12	30.00
Bombay	30.00	9.86.37	10.98.51	10.60.08	—	39.00
Madhya Pradesh	7.50	2.81.82	3.13.86	3.02.88	—	1,45.00
Madras	22.50	8.21.97	9.15.42	8.83.40	—	19.00
Orissa	3.00	1.40.91	1.36.93	1.51.44	0	—
Punjab*	12.00	2.58.34	2.87.71	2.77.64	43.00	81.00
Uttar Pradesh	22.50	8.45.46	9.41.58	9.08.64	—	95.00
West Bengal*	30.00	6.34.09	7.06.18	6.81.48	25.00	76.00
TOTAL	1,45.50	46.97.00	52.31.00	50.48.00**	2,61.00	5,86.76

* Figures for 1938-39 relate to the undivided Province. From 1950-51 amounts payable under this head are included in grants-in-aid.
 ** Including Rs. 5 crores on account of arrears in respect of previous years. Adding Rs. 83.47 lakhs provided in the revised estimates on account of natural calamities, total grants-in-aid would amount to Rs. 7,75.70 lakhs. † This comprises Rs. 1.85 lakhs under Article 273 of the Constitution in lieu of the share of state duty, Rs. 70 lakhs under Article 275 (i) as grants-in-aid to Assam and Orissa, Rs. 1,50.88 lakhs as grants in respect of merger of States with the former Provinces and Rs. 47 lakhs as grants to Orissa for construction of new capital. Adding lump sum grants of Rs. 1,80 lakhs provided in the budget for 1952-53 under proviso to Article 275 (i) of the Constitution and Rs. 1,00 lakhs on account of natural calamities, the figure works out to Rs. 7,32.88 lakhs.

STATEMENT 65

CONSOLIDATED DEBT POSITION OF PART 'A' STATES† (Reference paragraphs 79 & 91)

(Lakhs of Rupees)

I. Public Debt—	AT THE END OF										(Lakhs of Rupees)
	1936-37	1939-40	1942-43	1943-44	1944-45	1945-46	1946-47	1947-48	1948-49	1949-50	
(a) Permanent Debt	...	8,72	19,60	31,07	39,63	50,87	59,28	63,57	44,17	45,94	50,41
(b) Floating Debt	...	...	1,80	82	29,40	30,03	30,51	10,84	2,56	3,83	1,47
(c) Loans from Central Government	143,80	121,77	111,11	98,66	63,67	52,21	52,57	49,98	87,38	106,71	2,26
II. Unfunded Debt	15,03	24,44	27,26	28,59	29,78	30,97	30,81	21,43	25,77	155,12	15,03
III. Gross Total Debt (Total of I and II)...	167,86	167,61	170,28	190,98	174,35	162,97	157,79	118,14	142,92	186,24	245,86
IV. Appropriation for Reduction or Avo- lance of Debt	...	1,28	87	1,98	2,05	4,67	4,94	4,51	4,99	4,25	2,85
V. Closing Cash Balance...	...	10,70	8,83	20,47	22,63	21,86	32,31	16,73	7,26	23,08	34,50
											19,29

Note.—Figures up to and including 1945-46 relate to Provinces in undivided India; figures for 1946-47 include those for the undivided Provinces of the Punjab and Bengal. * Provisional.

† Based on actual returns furnished by the States.

STATEMENT 66

GOVERNMENT BALANCES IN INDIA WITH THE RESERVE BANK OF INDIA AND AT GOVERNMENT TREASURIES (Reference paragraphs 80 & 83)

(Lakhs of Rupees)

RESERVE BANK OF INDIA	GOVERNMENT TREASURIES		
	GOVERNMENT		Part 'A' States
	Central Government	1950-51	
1950-51	1951-52	1950-51	1950-51
1,28,98	1,42,94	27,83	1,31
1,32,31	1,45,17	32,55	1,50
1,44,48	1,62,97	23,15	...
1,42,80	1,83,14	25,82	1,59
1,55,96	2,18,37	17,05	1,07
1,80,60	2,10,79	13,88	1,93
1,67,77	2,05,18	10,25	1,35
1,55,13	2,05,18	13,38	1,65
1,57,64	2,11,16	17,96	1,63
1,66,38	2,12,99	17,26	1,60
1,76,28	2,15,28	11,70	1,74
1,73,78	1,89,81	14,94	1,34
1,61,08	1,55,28	14,47	1,67
	43,55	27,17	1,40
			1,50
			1,20
			1,90
			1,23
			1,53
			2,79
			3,87
			4,16
			27

STATEMENT 67

GOVERNMENT OF INDIA TREASURY BILLS (ANNUAL) SINCE 1918-19.

(Reference paragraph 81)

(Thousands of Rupees)

Year	Amount offered for tender	Amount tendered	Amount sold	Amount of intermediates sold†	Total amount sold†	Average yield per cent per annum	Amount sold in favour of Reserve Bank at the end of of India	Amount outstanding at the end of the year*
1918-19 ...			87,09,05		87,09,05			49,24,30
1919-20 ...			102,48,00		102,48,00			52,98,00
1920-21 ...			139,18,00		139,18,00			104,93,10
1921-22 ...			139,26,00		139,26,00			111,85,70
1922-23 ...			95,84,00		95,84,00			71,23,90
1923-24 ...			50,08,00		50,08,00			51,77,20
1924-25 ...								49,66,40
1925-26 ...								49,66,15
1926-27 ...								41,47,15
1927-28 ...	33,75,00	53,62,30	25,86,90	4,50,45	30,37,35			38,55,55
1928-29 ...	31,76,00	38,19,50	20,48,75	1,88,25	22,38,00			43,14,80
1929-30 ...	65,00,00	93,85,25	44,73,00	20,00,75	64,73,75			65,25,45
1930-31 ...	96,00,00	107,22,50	69,11,00	89,9,75	159,02,75			61,2,50
1931-32 ...	104,00,00	107,80,75	75,00,00	126,25,50	201,25,50			97,18,85
1932-33 ...	81,00,00	139,32,00	65,97,00	55,80,25	121,57,25			61,57,20
1933-34 ...	80,00,00	120,95,00	76,14,25	35,98,75	112,13,00			59,2,70
1934-35 ...	61,50,00	103,65,25	69,47,50	29,35,00	88,82,60			54,3,25
1935-36 ...	68,00,00	113,51,50	57,76,75	12,73,75	70,50,50			32,12,00
1936-37 ...	83,00,00	125,90,00	80,98,50	80,98,50	80,98,50			62,93,60
1937-38 ...	72,00,00	117,86,00	71,98,25	71,98,25	75,30,00			38,00,50
1938-39 ...	83,50,00	128,90,25	82,13,25	15,35,75	97,49,00			100,11,75
1939-40 ...	71,50,00	116,96,50	70,50,00	49,93,00	120,43,00			45,30,00
1940-41 ...	84,00,00	162,48,00	84,00,00	101,32,75	140,78,00			54,70,50
1941-42 ...	81,00,50	140,27,00	81,00,50	37,59,50	118,60,00			68,90,25
1942-43 ...	317,00,00	527,43,50	309,42,00	62,50,75	371,92,75			136,97,75
1943-44 ...	384,00,00	628,69,00	359,71,25	36,47,50	396,18,75			26,66,50
1944-45 ...	262,00,00	551,48,50	229,27,75		229,27,75			110,61,25
1945-46 ...	160,00,00	204,77,75	117,90,75		117,90,75			86,70,50
1946-47 ...	80,00,00	104,96,50	61,27,25		51,27,25			83,33,00
1947-48 ...	109,00,00	140,30,60	84,56,25		84,56,25			77,59,00
1948-49 ...	63,00,00	76,71,25	46,00,50		46,00,50			220,28,50
1949-50 ...	44,00,00	61,39,25	38,75,50		38,75,50			271,33,25
1950-51 ...	—	—	—		—			1,117,85,00**
1951-52 ...	—	—	—		—			350,45,50†
								1,381,11,75**
								1,384,35,25**
								358,02,50†
								314,33,50†

* Includes amount outstanding on account of the Reserve Bank of India (upto 1934-35 on account of the Currency Reserve). States and other

† Including outstanding of Rs. 292.84 crores at the end of 1948-49, Rs. 281.64 crores at the end of 1949-50, and Rs. 274.51 crores at the end of 1950-51 and Rs. 267.51 crores at the end of 1951-52 on account of ad hoc bills created to replace the sterling securities transferred to the U.K. Government in terms of the Sterling Balances Agreement of July 1948. **Including renewals of ad hoc bills. †† There were no sales of Treasury bills to the public as from December 20, 1948.

STATEMENT 68

GOVERNMENT OF INDIA THREE MONTHS TREASURY BILLS (WEEKLY), 1951-52 (Reference paragraph 81)

(Thousands of Rupees)

1951-52 Week ended	SALES TO PUBLIC*					Average rate of discount of accepted tenders	Amount sold in favour of the Reserve Bank of India†	Total amount outstanding**
	Amount offered	Amount tendered	Amount sold	Amount dis- charged	Amount outstand- ing			
April 1 to 6	...	—	—	—	—	—	79,00	358,35,50
" 13	...	—	—	—	—	—	665,00	357,27,00
" 20	—	—	—	—	—	—	604,50	354,84,25
" 27	—	—	—	—	—	—	218,25	354,86,75
May 4	—	—	—	—	—	—	277,00	345,31,75
" 11	—	—	—	—	—	—	274,80,00	350,45,50
" 18	—	—	—	—	—	—	3,38,50	348,45,50
" 25	—	—	—	—	—	—	5,78,75	347,70,50
June 1	—	—	—	—	—	—	14,00	346,39,50
" 8	—	—	—	—	—	—	3,86,25	347,64,50
" 15	—	—	—	—	—	—	20,65,25	347,44,75
" 22	—	—	—	—	—	—	9,95,00	349,19,75
" 29	—	—	—	—	—	—	11,60,25	348,59,75
July 6	—	—	—	—	—	—	1,02,00	348,82,75
" 13	—	—	—	—	—	—	4,10,75	346,28,50
" 20	—	—	—	—	—	—	3,00,50	343,24,50
" 27	—	—	—	—	—	—	4,10,50	345,16,75
August 3	—	—	—	—	—	—	2,28,00	344,67,75
" 10	—	—	—	—	—	—	273,21,00	343,08,75
" 17	—	—	—	—	—	—	6,18,50	345,88,75
" 24	—	—	—	—	—	—	7,41,75	347,53,75
" 31	—	—	—	—	—	—	3,03,25	350,43,00
September 7	—	—	—	—	—	—	1,02,00	348,70,00
" 14	—	—	—	—	—	—	11,30,00	347,49,00
" 21	—	—	—	—	—	—	9,10,00	333,88,50
" 28	—	—	—	—	—	—	9,13,50	331,88,50
October 5	—	—	—	—	—	—	2,44,75	332,84,50
" 12	—	—	—	—	—	—	2,96,75	332,20,50
" 19	—	—	—	—	—	—	50,00	332,20,50
" 26	—	—	—	—	—	—	7,94,25	333,79,25
November 2	—	—	—	—	—	—	2,12,50	334,04,25
" 9	—	—	—	—	—	—	9,73,00	336,31,25
" 16	—	—	—	—	—	—	263,41,00	336,01,25
" 23	—	—	—	—	—	—	12,01,25	334,72,25
" 30	—	—	—	—	—	—	3,31,25	335,00,25
December 7	—	—	—	—	—	—	3,91,00	337,89,25
" 14	—	—	—	—	—	—	8,51,00	335,10,25
" 21	—	—	—	—	—	—	7,65,00	333,65,25
" 28	—	—	—	—	—	—	9,16,50	333,68,25
January 4	—	—	—	—	—	—	2,23,75	333,47,25
" 11	—	—	—	—	—	—	3,17,75	333,68,25
" 18	—	—	—	—	—	—	50,00	333,68,25
" 25	—	—	—	—	—	—	5,01,75	329,90,25
February 1	—	—	—	—	—	—	2,62,00	331,25,25
" 8	—	—	—	—	—	—	2,48,00	324,00,25
" 15	—	—	—	—	—	—	264,89,00	325,28,25
" 22	—	—	—	—	—	—	7,88,50	324,98,25
" 29	—	—	—	—	—	—	6,62,00	324,46,25
March 7	—	—	—	—	—	—	3,43,25	323,98,50
" 14	—	—	—	—	—	—	8,51,00	323,98,50
" 21	—	—	—	—	—	—	3,65,00	316,48,50
" 28	—	—	—	—	—	—	7,13,50	314,45,50
" 29 to 31	—	—	—	—	—	—	34,75	314,33,50
Total	...	—	—	—	—	—	1,335,50,00	814,88,50

*There were no sales of Treasury bills to the public as from December 20, 1949. †Including renewals of ad hoc bills.

**Including amount outstanding on account of the Reserve Bank of India, States and others and also outstanding on account of ad hoc Treasury bills created to replace sterling securities transferred to the U.K. Government in terms of the Sterling Balances Agreement of July 1948.

STATEMENT 69

GOVERNMENT OF INDIA THREE MONTHS TREASURY BILLS (MONTHLY)

(Reference paragraph 81)

(Thousands of Rupees)

1950-51			1951-52			(Thousands of Rupees)					
			PUBLIC*		PUBLIC*		Month	Sales	Average Yield	Dis-charges	Out-standings
Sales	Average Yield	Dis-charges	Out-standings	Amount sold in favour of the Reserve Bank of India†	Total amount outstanding.**						
—	—	—	—	10,66.25	389,76.50	April	—	—	—	—	15,68.75
—	—	—	—	295,48.75	343,88.75	May	—	—	—	—	286,84.25
—	—	—	—	32,28.00	388,13.00	June	—	—	—	—	46,06.75
—	—	—	—	15,25.75	343,02.50	July	—	—	—	—	12,25.75
—	—	—	—	299,09.00	346,62.75	August	—	—	—	—	292,10.50
—	—	—	—	31,70.00	342,54.75	September	—	—	—	—	31,02.25
—	—	—	—	18,11.25	345,40.25	October	—	—	—	—	14,41.50
—	—	—	—	301,24.50	351,05.75	November	—	—	—	—	289,56.50
—	—	—	—	28,99.50	348,35.25	December	—	—	—	—	29,70.25
—	—	—	—	21,54.25	351,78.25	January	—	—	—	—	11,98.50
—	—	—	—	298,11.50	346,66.25	February	—	—	—	—	282,77.50
—	—	—	—	43,86.50	358,02.25	March	—	—	—	—	23,07.50
—	—	—	—	1,394,35.25	358,02.25	TOTAL					1,385,50.00
—	—	—	—								314,33.50

*There were no sales of Treasury bills to the public as from December 20, 1949.

†Including renewals of ad hoc bills. **Including amount outstanding on account of the Reserve Bank of India, States and others and also outstanding on account of ad hoc bills created to replace sterling securities transferred to the U. K. Government in terms of the Sterling Balances Agreement of July 1948.

STATEMENT

GOVERNMENT OF INDIA TREASURY DEPOSIT RECEIPTS†

(Reference paragraph 82)

(Thousands of Rupees)

	Issued	Dis- charged	Out- standing*	Six Months			Nine Months			One Year			TOTAL				
				Issued		Dis- charged	Issued		Dis- charged	Issued		Dis- charged	Issued		Dis- charged		
	1948-49 (Oct- March)	2,48,50	—	2,48,50	3,25	—	3,25	1,37,00	—	1,37,00	59,75	1,37,00	59,75	2,38,25	20,03,25	27,17,50	
1949-50	... 14,48,25	3,77,25	13,19,50	5,00	3,25	5,00	5,00	59,75	—	59,75	59,75	59,75	59,75	2,38,25	20,03,25	27,17,50	
1950-51	... 16,95,00	26,52,75	3,61,75	70,00	5,00	70,00	2,03,00	90,00	2,03,00	18,31,25	2,03,00	18,31,25	2,03,00	23,96,00	12,48,50	18,17,50	
1951-52	... 8,41,75	9,20,25	2,83,25	2,23,00	—	—	—	—	—	—	—	—	—	—	—	—	
1950-51																	
April	... 1,25	22,50	12,98,25	—	—	—	5,00	25	—	60,00	1,50	22,50	1,50	22,50	13,68,25	13,68,25	
May	... 2,80,00	3,10,00	12,68,25	—	—	—	5,00	21,25	1,25	80,00	3,01,25	3,11,25	3,11,25	13,53,25	13,53,25	13,53,25	
June	... 1,05,00	95,00	12,78,25	—	—	—	5,00	30,00	4,00	1,06,00	1,93,00	98,00	98,00	13,88,25	13,88,25	13,88,25	
July	... 6,82,00	6,90,00	12,70,25	2,00	—	—	7,00	10,00	—	13,16,00	6,94,00	6,90,00	6,90,00	14,98,25	14,98,25	14,98,25	
August	... 1,25,00	1,00,00	12,95,25	—	—	—	7,00	20,00	—	—	1,36,00	1,45,00	1,00,00	1,00,00	14,86,00	14,86,00	
September	... 1,40,00	1,02,00	13,32,25	—	—	—	7,00	10,00	—	—	1,46,00	1,59,00	1,02,00	1,02,00	15,38,25	15,38,25	
October	... 1,00,25	1,25	14,32,25	—	—	—	2,00	5,00	—	—	1,46,00	1,00,25	3,25	3,25	15,38,25	15,38,25	
November	... 1,3,50	2,80,00	12,83,75	—	—	—	2,00	3,00	—	30,00	1,61,50	2,82,00	2,82,00	14,62,75	14,62,75	14,62,75	
December	... 40,00	1,05,00	12,18,75	10,00	1,00	1,00	1,00	68,00	—	10,50	2,3,50	1,16,00	1,16,00	14,92,25	14,92,25	14,92,25	
January	... 30,00	6,82,00	5,68,75	48,00	—	—	60,00	25,00	—	38,00	2,18,50	1,08,00	1,08,00	7,20,00	8,45,25	8,45,25	
February	... 30,00	1,25,00	4,71,75	10,00	—	—	70,00	15,00	6,00	2,27,50	55,00	1,31,00	1,31,00	7,69,25	7,69,25	7,69,25	
March	... 30,00	1,40,00	3,61,75	—	—	—	70,00	10,75	—	—	2,38,25	40,75	1,40,00	1,40,00	6,70,00	6,70,00	6,70,00
1951-52																	
April	... 25	1,00,25	2,61,75	—	2,00	68,00	25	25	25	21,25	2,38,25	50	1,02,50	5,68,00	5,68,00	5,68,00	
May	... 1,25	1,31,50	1,31,50	10,00	—	78,00	5,01,00	—	30,00	6,88,00	5,12,25	1,62,75	1,62,75	9,87,50	9,87,50	9,87,50	
June	... 2,50,00	40,00	3,41,50	10,00	—	88,00	—	—	10,00	1,2,83,00	2,60,00	70,00	70,00	11,17,50	11,17,50	11,17,50	
July	... 2,12,00	30,00	5,23,50	2,03,00	—	2,91,00	6,05,00	10,00	20,00	12,73,00	50,00	10,30,00	40,00	20,97,50	20,97,50	20,97,50	
August	... 40,00	30,00	5,33,50	—	—	2,91,00	10,00	—	—	—	50,00	50,00	50,00	20,97,50	20,97,50	20,97,50	
September	... 65,00	30,00	5,51,50	—	—	10,00	2,81,00	2,00,00	10,00	14,63,00	2,55,00	50,00	50,00	23,02,50	23,02,50	23,02,50	
October	... 2,65,25	25	8,13,50	—	48,00	2,33,00	15,00	—	—	14,78,00	2,70,25	48,25	48,25	25,24,50	25,24,50	25,24,50	
November	... 2,00	1,25	8,14,25	—	10,00	2,23,00	—	—	—	30,00	14,48,00	2,00	2,00	41,25	41,25	41,25	
December	... —	2,50,00	5,64,25	—	—	2,23,00	—	—	—	68,00	13,82,00	—	—	3,16,00	21,69,25	21,69,25	
January	... 6,00	2,12,00	3,58,25	—	—	2,23,00	—	—	—	25,00	13,51,00	6,00	6,00	2,37,00	19,38,25	19,38,25	
February	... 20,00	40,00	3,38,25	—	10,00	2,13,00	—	—	15,00	13,42,00	20,00	20,00	65,00	18,83,25	18,83,25		
March	... —	55,00	2,83,25	—	10,00	2,03,00	—	—	10,75	13,31,25	—	—	75,75	18,17,50	18,17,50		

† On tap from October 15, 1948. The rates of discount are 1 per cent, $1\frac{1}{2}$ per cent and $1\frac{1}{3}$ per cent per annum, respectively, for six months, nine months and one year. *At the end of the period.

STATEMENT 71

TREASURY BILLS OF PART 'A' STATES SINCE 1938-39

ORISSA

Amount offered for tender	—	—	—	1,00,00	—	—	—	—
Amount tendered	—	—	—	3,46,00	—	—	—	—
Amount sold	... ...	—	—	1,00,00	—	—	—	—
Average rate of discount per cent per annum Rs. ...	—	—	—	0 7 6	—	—	—	—
Amount outstanding	... —	—	—	50,00	—	—	—	—

UTTAR PRADESH

Amount offered for tender	80,00	75,00	6,00,00	—	—	—	—	—
Amount tendered	... 85,00	97,00	11,65,00	—	—	—	—	—
Amount sold	... 80,00	75,00	6,00,00	—	—	—	—	—
Average rate of discount per cent per annum Rs. ...	— 1 8 11	0 12 3	0 14 2	—	—	—	—	—
Amount outstanding	... —	—	1,00,00	—	—	—	—	—

WEST BENGAL*

Amount offered for tender	—	50,00	29,00,00	35,00,00	16,50,00	12,50,00	6,00,00	—
Amount tendered	... 1,34,50	37,36,50	55,48,00	27,75,00	17,20,50	4,00,00	—	—
Amount sold	... 50,00	29,00,00	35,00,00	16,50,00	12,50,00	4,00,00	—	—
Average rate of discount per cent per annum Rs. ...	— 0 10 0	0 15 2	0 8 11	0 7 3	0 7 10	0 8 0	—	—
Amount outstanding	... —	12,50,00	5,00,00	7,50,00	8,00,00	—	—	—

Total

Amount offered for tender	5,70,00	4,35,00	46,05,00	53,50,00	36,00,00	16,50,00	8,00,00	3,00,00	13,50,00	—
Amount tendered	... 7,17,00	9,07,50	65,63,50	39,65,00	58,52,00	25,68,50	4,00,00	1,54,00	15,50,00	—
Amount sold	... 5,70,00	4,35,00	45,65,00	53,50,00	35,50,00	16,50,00	4,00,00	1,54,00	13,50,00	—
Average rate of discount per cent per annum Rs. ...	— 1 13 0	0 12 1	0 14 3	0 8 11	0 7 0	0 7 10	0 8 0	0 12 0	0 9 6	—
Amount outstanding	... 1,50,00	80,00	17,30,00	10,00,00	11,00,00	9,00,00	—	—	—	—

* Excluding Rs. 2 crores offered for tender on September 23, 1949 but cancelled.

* Figures for the years 1938-39 to 1946-47 relate to the pre-partition Province of Bengal.

STATEMENT 72
CENTRAL AND STATE GOVERNMENT LOANS
(AS ON MARCH 31, 1952)
(Reference paragraph 85)

(Lakhs of Rupees)

Central Government Loans			Amount outstanding	State Government Loans		Amount outstanding
3 % Loan, 1953-55	...	...	114,60·58	3 % Assam Loan, 1952		23·62
2½ % .. 1954	...	...	35,06·06	3 % Madhya Pradesh Loan, 1952		47·16
3½ % .. 1954-59	...	...	12,87·85	3 % .. 1955		50·00
2½ % .. 1955	...	...	60,45·01	3 % .. 1956		50·54
4½ % .. 1955-60	...	...	9,05·04	3 % .. 1958		52·70
3 % Victory Loan, 1957	...	...	114,06·89	3 % .. 1960		1,01·45
3 % Loan, 1958	...	...	50,35·63	3½ % .. 1962		1,02·18
4½ % .. 1958-68	...	...	5,85·20	3 % .. 1964		2,03·29
3 % Second Victory Loan, 1959-61 ...			113,65·64			6,07·32
2½ % Loan, 1960	...	...	45,63·07	3 % Bombay Loan, 1955		3,54·23
4 % .. 1960-70	...	...	63,30·26	3 % .. 1956		3,50·00
2½ % .. 1961	...	...	57,00·69	3 % .. 1958		3,44·00
2½ % .. 1962	...	...	75,86·72	3 % Bombay Development Loan, 1960		3,01·88
3 % .. 1963-65	...	...	116,17·46	3 % Bombay Tapi Irrigation and Development Loan, 1961		61·13
3 % .. 1964	...	...	30,33·10	3 % Bombay Development Loan, 1962		6,00·16
3 % Funding Loan, 1966-68	...		110,11·78	3½ % .. State Development Loan, 1962		3,04·07
3 % First Development Loan, 1970-75			115,05·83			23,15·47
2½ % Loan, 1976	...	...	14,77·48	3 % Uttar Pradesh Loan, 1952		1,95·22
2½ % Bhopal War Bonds, 1957	...		26·25	3 % .. 1958		3,13·38
3 % .. Loan, 1966-76	...	...	114·73	3 % .. 1960		2,28·70
3 % Loan 1946 or later (Conversion Loan of 1946)	...	...	248,91·90	2½ % .. 1961		2,33·23
3 % Non-terminable Loan, 1896-97 ...			8,93·35	3 % .. 1961-66		1,64·69
			1,403,51·12	3½ % .. U.P.E.E. Act Bonds	1962	2,03·36
Loans not bearing interest	...	...	4,31·46			2,40·27
						15,78·85
				3 % Madras Loan, 1952		2,18·95
				3 % .. 1953		1,42·08
				3 % .. 1955		1,23·25
				3 % .. 1956		1,25·10
				3 % .. 1958		1,07·95
				3 % .. 1959		1,23·06
				3 % .. 1960		2,78·44
				3 % Madras Development Bonds, 1960		4,38·25
				2½ % Madras Loan, 1961		3,81·77
				3½ % .. 1962		3,01·49
						22,41·24
				3½ % West Bengal Loan, 1962		1,75·00
Total	...		1,407,82·58	Total	...	22,41·20

STATEMENT 73

DEBT POSITION OF THE GOVERNMENT OF INDIA SINCE 1913-14 (Reference paragraph 86)

Rupee Debt (Crates of Rupees)

End of March	Un-dated		Percent. Over age to 10 years		Percent. Between ages to 5 and 10 years		Percent. Under 5 years		Treas. Bills		Small Savings		Percent. due to obligations*		Other Percent. due to obligations†		Total Debts		Percentage Increase or decrease (—) or Debits (—)	
	Total	Years	Total	Years	Total	Years	Total	Years	Total	Bills	Total	Small Savings	Total	Treasury Bonds	Total	Other Obligations	Total	Debits		
1914	... 144.52	80.4	1.00	0.6	—	—	—	—	—	—	23.17	12.9	11.08	6.1	179.77	—	235.81	—	—	
1919	... 143.20	39.9	26.42	7.4	29.44	8.2	59.43	16.5	49.24	13.7	27.03	7.5	24.02	6.6	368.78	+ 99.5	304.08	—	—	
1924	... 137.25	25.4	29.29	6.1	96.93	20.1	84.45	19.6	51.77	10.7	33.21	6.9	39.62	3.2	482.52	+ 35.5	397.76	—	—	
1929	... 137.41	24.9	121.03	21.9	50.25	9.2	81.54	14.8	43.15	7.8	56.79	10.3	61.04	11.1	861.21	+ 14.2	472.78	—	—	
1934	... 126.69	18.3	160.73	23.2	67.93	9.8	79.22	11.4	59.24	8.5	115.94	16.7	83.34	12.1	693.09	+ 26.7	512.15	—	—	
1939	... 128.46	18.1	113.80	16.0	124.71	17.6	70.89	9.9	46.30	6.5	141.46	19.8	84.34	11.8	709.93	+ 2.4	409.10	—	—	
1940	... 139.93	19.2	147.24	20.2	113.76	16.6	49.35	6.8	54.71	7.5	135.35	18.6	87.48	12.1	727.79	+ 2.6	442.49	—	—	
225	... 148.52	17.3	182.98	21.2	150.31	17.5	95.07	11.0	68.90	8.0	108.80	12.6	106.59	12.4	861.17	+ 18.3	344.93	—	—	
1943	... 164.18	17.4	261.77	27.8	68.75	7.3	117.16	12.5	136.98	14.6	95.55	10.2	96.61	10.3	941.00	+ 9.3	210.70	—	—	
1943	... 245.50	20.3	238.68	19.8	91.75	7.6	172.80	14.3	264.70	21.9	92.77	7.7	99.98	8.3	1,206.18	+ 28.2	56.59	—	—	
1944	... 283.89	21.2	454.43	33.8	85.38	6.4	182.86	13.6	110.61	8.2	118.47	8.3	107.05	8.0	1,342.69	+ 11.3	39.14	—	—	
1945	... 284.03	18.1	396.17	25.9	282.44	18.0	249.50	15.9	86.71	5.5	159.18	10.1	113.39	7.2	1,671.42	+ 17.0	38.13	—	—	
1946	... 284.04	14.7	663.80	34.3	222.75	11.5	321.59	16.6	83.33	4.3	221.52	11.4	139.92	7.2	1,886.95	+ 23.3	37.69	—	—	
1947	... 257.47	12.1	752.62	35.5	171.08	.8.1	343.18	16.2	77.59	3.6	268.30	12.6	251.88	11.9	2,121.93	+ 9.6	36.52	—	—	
1948	... 257.74	12.1	682.42	31.9	285.62	13.3	287.23	13.4	98.68	4.6	283.90†	13.3	244.42	11.4	2,140.01	+ 0.9	29.53	—	—	
1949	... 257.85	10.8	711.59	29.9	196.90	8.3	309.80	13.0	354.36†	14.9	313.27†	13.2	234.34	9.9	2,378.11	+ 11.1	37.36	—	—	
1950	... 257.86	10.5	597.93	24.3	303.08	12.3	291.08	11.8	355.70†	14.4	339.15†	13.8	317.91	12.9	2,462.71	+ 3.6	43.38†	—	—	
1951	... 257.85	10.2	519.33	20.6	342.61	13.6	318.77	12.7	364.72†	14.5	372.59†	14.3	342.81	13.6	2,518.59	+ 2.3	49.81†	—	—	
1952	... 257.85	10.3	483.47	18.6	450.14	18.0	232.05	9.3	332.51†	13.3	408.23†	16.4	351.24	14.1	2,495.49	- 0.9	136.99†	—	—	

* Including (1) unclaimed balances of old loans which have ceased to bear interest from the date of discharge, (2) balance of special loans, (3) balances of State Provident Funds, Pension Funds, and other accounts such as General Family Pension Fund, the Hindu Family Fund, the Postal Insurance and Life Annuity Fund, etc., and (4) the amount of Three-year Interest-Free Bonds and Five-year Interest-Free Prize Bonds.

† Preliminary. † Including Treasury Deposit Receipts. § Including Pakistan's share of the liabilities as on August 14, 1947. * Including Ten-year Treasury Savings Deposit Certificates since 1950-51. † Including Dollar loans of Rs. 16.77 crores, Rs. 24.60 crores and Rs. 112.04 crores at the end of March 1950, 1951 and 1952, respectively. §§ Consisting of only Sterling Debt till the end of March 1949 and excluding Railway Annuities since 1942-43.

STATE

**INTEREST-BEARING OBLIGATIONS AND INTEREST-YIELDING
(Reference**

		1938-39	1939-40	1941-42	1942-43	1943-44
I. Interest-Bearing Obligations						
<i>In India</i>						
1	Loans	...	437,87	450,23	611,85	748,74
2	Treasury Bills, Ways and Means Advances and Treasury Deposit Receipts	...	46,30	54,70	136,98	264,70
3	Small Savings	...	141,45	135,35	95,55	92,77
4	Depreciation and Reserve Funds	...	27,34	33,47	60,54	94,72
5	Others	...	83,68	86,89	93,59	97,94
6	Total	736,64	760,64	998,51	1,298,87	1,494,11
<i>In England</i>						
7	Loans	...	396,50	373,46	147,20	29,94
8	Others	...	72,62	69,76	63,50	60,32
9	Total	469,12	443,22	210,70	90,26	71,15
10	<i>Dollar Loans</i>	...	—	—	—	—
11	Total Interest-Bearing Obligations	1,205,76	1,263,86	1,209,21	1,389,13	1,565,26
II. Interest-Yielding Assets						
12	Capital advanced to Railways	...	725,24	729,72	732,35	758,23
13	Capital advanced to other Commercial Departments	...	27,42	27,52	32,66	33,19
14	Capital advanced to States and other Interest-bearing loans	...	143,99	141,89	136,93	129,86
15	Debt due from Burma and Pakistan	...	49,73	48,15	48,15	48,15
16	Deposits with U.K. Govt. for redemption of Railway Annuities	...	—	—	36,00	32,79
17	Purchase of Annuities for Sterling Pensions	...	—	—	—	—
18	Total Interest-Yielding Assets	946,39	967,28	950,00	1,005,43	1,009,98
19	Cash and Securities held on Treasury Account	...	30,30	41,82	59,48	97,04
20	Balance of total Interest-bearing Obligations not covered by the above	229,08	214,96	199,64	286,86	405,56

MENT 74

ASSETS OF THE GOVERNMENT OF INDIA *paragraphs 79 & 86)*

(Lakhs of Rupees)

1944-45	1945-46	1946-47 Revised	1947-48 Revised	1948-49 Revised	1949-50 Revised	1950-51 Revised	1951-52 Revised	1952-53 Budget
1,212,14	1,492,22	1,529,75	1,517,00	1,478,39	1,452,15	1,438,46	1,402,10	1,427,10 1
86,70	83,33	79,20	86,84	373,33	361,48	373,20	335,01	330,01 2
159,18	221,52	273,20	233,10	271,73	293,80	326,25	372,57	417,14 3
144,28	150,93	143,97	112,15	116,77	126,15	155,56	171,47	171,98 4
220,35	297,10	297,03	183,41	172,74	222,75	207,26	193,02	187,16 5
1,822,65	2,945,10	2,823,15	2,132,50	2,412,96	2,456,38	2,500,78	2,474,17	2,532,30 6
13,57	13,22	12,22	5,80	3,39	2,73	1,35	1,24	1,19 7
53,67	50,16	46,52	43,60	39,45	37,10	34,82	32,24	29,08 8
67,94	63,38	58,74	49,40	42,84	39,83	36,17	33,48	30,87 9
—	—	—	—	—	16,77	24,60	112,04	111,94 10
1,888,86	2,808,48	2,881,89	2,181,99	2,455,80	2,512,93	2,561,50	2,619,69	2,675,60 11
784,88	794,74	808,16	675,87	692,47	723,80	814,13	833,63	850,04 12
40,44	42,73	48,63	43,86	48,85	68,97	90,11	112,95	134,05 13
90,29	61,03	73,78	73,15	110,44	158,92	216,97	341,39	431,25 14
48,15	48,15	48,15	348,15	348,15	348,15	348,15	348,15	348,15 15
29,45	26,01	22,44	19,65	15,53	13,29	10,96	8,53	5,44 16
—	—	—	—	215,68	208,26	200,89	193,58	186,32 17
988,91	972,86	1,001,16	1,160,68	1,481,18	1,521,39	1,681,21	1,898,23	1,955,25 18
305,79	586,65	513,76	246,12	235,81	172,99	141,97	198,70	142,35 19
600,89	749,17	866,97	775,19	788,87	818,55	738,32	582,76	578,00 20

STATEMENT 75

AMOUNT OF STERLING DEBT REPATRIATED SINCE 1937-38

(Reference paragraph 87)

Year							Face Value (Millions of Pounds Sterling)	Purchase Value (Millions of Pounds Sterling)	(Crores of Rupees)	Rupee counter- parts created (Crores of Rupees)
1937-38	...	...	...	...	...	...	2·99	3·04	4·05	1·12
1939-40	...	...	...	...	...	...	17·09	16·54	22·05	22·79
1940-41	...	...	...	...	...	...	71·29	75·24	100·32	94·86
1941-42	...	...	...	...	...	...	99·04	92·28	123·04	33·58
1942-43	...	...	...	...	...	...	119·00	120·48	161·67	82·62
1943-44	...	...	...	...	...	...	13·02	12·97	17·29	38·42
1944-45	...	...	...	...	...	...	0·41	0·37	0·49	0·17
1945-46	...	...	...	...	...	...	0·28	0·29	0·37	0·01
1946-47	...	...	...	...	...	...	0·76	0·80	1·06	0·01
1947-48	...	...	...	...	...	...	4·65	5·12	6·83	0·45
1948-49	...	...	...	...	...	...	0·18	0·19	0·25	0·02
1949-50	...	...	...	...	...	...	0·08	0·08	0·11	—
1950-51	...	...	...	...	...	...	0·04	0·04	0·05	0·01
						Total	328·88	327·44	437·58	274·06

1951-52

1. First compulsory scheme of February 8, 1941 (including special arrangements)	0·030	0·033	0·044	0·013
2. Second compulsory scheme of December 24, 1941 (including special arrangements) ...	0·019	0·013	0·017	—
3. Redemption of 3½ per cent Sterling Stock, 1931 or after	0·001	0·001	0·001	—
4. Repatriation of Railway Debenture Stocks ...	0·006	0·004	0·006	—
	Total ... 0·056	0·051	0·068	0·018
	Grand Total ... 328·88	327·49	437·55	274·07

STATEMENT 76

(A) POST OFFICE CASH CERTIFICATES †

(Reference paragraph 89)

	Receipts	Repayments	Net receipts	(Lakhs of Rupees)
				Amount outstanding**
Average for 1917-18				
to 1921-22	3.01	2.14
Average for 1922-23	6.14	1.75
to 1927-28	10.81	5.82
Average for 1928-29	13.11	12.19
to 1932-33	14.71	15.35
Average for 1933-34	10.25	12.80
to 1937-38	4.89	14.93
1938-39	3.97	11.94
1939-40	3.76	8.20
1940-41	5.50	5.43
1941-42	5.48	4.31
1942-43	6.67	3.72
1943-44	4.97	4.51
1944-45	—	—
1945-46	—	—
1946-47	—	—
1947-48	—	—
April 1 to August 14	...	1.06	2.59	—1.53
August 15 to March 31	...	—	3.07	—3.07
1948-49	—	4.42
1949-50	1	3.88
1950-51	—	4.54
1951-52 (Preliminary)	...	—	4.30	—4.30

† Figures for Burma are included up to 1936-37. The series was closed for further deposits from June 16, 1947.

§ Since August 15, 1947 figures represent only progressive net repayments.

(B) POST OFFICE DEFENCE SAVINGS CERTIFICATES*

	Receipts	Repayments	Net receipts	Amount outstanding**
1940-41	...	2.41	12	2.29
1941-42	...	2.81	75	2.06
1942-43	...	2.02	81	5.56
1943-44	...	2.43	1,02	1.41
1944-45	...	—	55	6.97
1945-46	...	—	50	6.42
1946-47	...	—	74	5.92
1947-48	...	—	—	5.18
April 1 to August 14	...	—	39	4.79
August 15 to March 31	...	—1	39	—40
1948-49	...	—	35	—75
1949-50	...	—	27	—1,02
1950-51	...	—	77	—1,79
1951-52 (Preliminary)	—	76	—76	—2,55

* Replaced by the Twelve-year National Savings Certificates from October 1, 1943.

§ Since August 15, 1947 figures represent only progressive net repayments.

(C) POST OFFICE NATIONAL SAVINGS CERTIFICATES†

	Receipts	Repayments	Net receipts	Amount outstanding**
1943-44	...	8.66	1	8.65
1944-45	...	19.55	1	19.54
1945-46	...	23.21	10	23.11
1946-47	...	21.76	2,44	19.32
1947-48	...	—	—	74.98
April 1 to August 14	...	7.18	2,82	4.36
August 15 to March 31	...	13.22	4,01	9.21
1948-49	...	22.70	6,85	25.97
1949-50	...	23.79	8,28	15.53
1950-51	...	23.71	6,37	17.34
1951-52 (Preliminary)	...	24.60	6,71	17.89

† Including Hyderabad State National Savings Certificates from 1944-45 up to August 14, 1947.

Note.—Figures from August 15, 1947 relate to the Indian Union only; outstandings since March 31, 1948 do not include the Indian Union's share of the pre-partition liabilities. ** At the end of the period.

STATEMENT 77

(A) POST OFFICE SAVINGS BANK (Reference paragraph 89)

		Deposits	Interest	Withdrawals	Net increase in Deposits	Amount outstanding†	(Lakhs of Rupees)
Average for 1913-14							
to 1917-18	...	9.29	49	10.58	- 80	16.58	
Average for 1918-19							
to 1922-23	...	16.51	58	15.77	1.32	28.19	
Average for 1923-24							
to 1927-28	...	19.54	75	18.47	1.82	38.06	
Average for 1928-29							
to 1932-33	...	27.04	1.05	25.93	2.16	43.45	
Average for 1933-34							
to 1937-38	...	41.70	1.41	36.53	6.58	77.50*	
1938-39	...	44.61	1.42	41.65	4.38	81.88	
1939-40	...	40.51	1.15	45.22	- 3.66	78.38	
1940-41	...	25.35	93	45.09	- 18.81	58.51	
1941-42	...	21.91	83	30.18	- 7.44	52.07	
1942-43	...	22.26	73	22.84	15	52.22	
1943-44	...	35.22	93	24.19	11.96	64.18	
1944-45	...	43.76	1.22	28.94	16.04	80.28	
1945-46	...	74.42	1.70	41.30	34.82	1.15.04	
1946-47	...	89.45	2.23	64.37	27.31	1.42.35	
1947-48							
April 1 to August 14	...	37.68	1.00	34.21	4.47	1.46.82	
August 15 to March 31	...	45.79	1.22	36.89	10.12	10.12	
1948-49	...	83.26	2.41	65.88	19.79	29.91	
1949-50	...	84.90	4.06	73.78	15.18	45.09	
1950-51	...	97.80	3.27	84.80	16.27	61.86	
1951-52 (Preliminary)	...	103.79	..	93.99	9.80	71.16	

* The outstandings are lower by Rs. 2.15 lakhs on account of the transfer of Burma and Aden balances.

(B) POST OFFICE DEFENCE SAVINGS BANK **

	Deposits ‡	Withdrawals	Net increase in Deposits	Amount outstanding†
1941-42	...	11	—	11
1942-43	...	30	—	41
1943-44	...	3.62	1	3.62
1944-45	...	4.53	2	4.51
1945-46	...	1.99	2	1.97
1946-47	...	49	6	43
1947-48				
April 1 to August 14...	...	—	4.91	- 4.91
August 15 to March 31	...	—	3.16	- 3.16
1948-49	...	—	91	- 91
1949-50	...	—	39	- 39
1950-51	...	—	17	- 17
1951-52 (Preliminary)	...	—	7	- 7

** Closed for further deposits from July 1, 1946. ‡ Including interest. § Since August 15, 1947 figures represent only progressive net repayments.

(C) TEN-YEAR TREASURY SAVINGS DEPOSIT CERTIFICATES *

	Receipts	Repayments	Net Receipts	Amount outstanding
1950-51	...	5.31	—	5.31
1951-52	...	13.10	2	13.08

* Issued from February 1, 1951.

Note.—Figures from August 15, 1947 relate to the Indian Union; outstandings since March 31, 1948 do not include the Indian Union's share of the pre-partition liabilities. † At the end of the period.

STATEMENT 78

PRINCIPAL ITEMS OF SMALL SAVINGS (MONTHLY)

(Reference paragraph 89)

(Lakhs of Rupees)

Post Office Cash Certificates	Defence Savings Certificates	National Savings Certificates												3½% Ten-year Treasury Savings Deposit Certificates†												
		12 years				7 years				5 years				Month- end Re- ceipts out- standings*				Month- end Re- ceipts out- standings*				Month- end Re- ceipts out- standings*				
		Month- end out- standings*	Month- end out- standings*	Month- end out- standings*	Month- end out- standings*	Month- end Re- ceipts out- standings*	Month- end Re- ceipts out- standings*	Month- end Re- ceipts out- standings*	Month- end Re- ceipts out- standings*	Month- end Re- ceipts out- standings*	Month- end Re- ceipts out- standings*	Month- end Re- ceipts out- standings*	Month- end Re- ceipts out- standings*	Month- end Re- ceipts out- standings*												
1950-51																										
April	...	-11.64	-11.03	1.39	36.24	11	1.80	22	3.73	1.72	41.77	7.94	46.31	-4.48												
May	...	-11.03	-1.05	1.30	36.89	8	1.86	19	3.86	1.57	42.61	9.00	47.72	-4.50												
June	...	-12.22	-1.10	1.70	38.15	7	1.91	14	3.95	1.91	44.01	8.71	49.84	-4.52												
July	...	-12.50	-1.17	1.84	39.58	9	1.98	23	4.13	2.16	45.67	8.28	51.83	-4.54												
August	...	-12.87	-1.25	1.74	40.84	6	2.01	18	4.26	1.98	47.11	8.30	53.54	-4.56												
September	...	-13.22	-1.32	1.86	42.32	8	2.07	15	4.36	2.09	48.75	7.31	54.39	-4.58												
October	...	-13.62	-1.39	1.67	43.55	5	2.11	13	4.45	1.85	50.11	7.16	54.57	-4.59												
November	...	-14.08	-1.48	1.77	44.90	8	2.17	15	4.56	2.00	51.63	7.28	54.77	-4.60												
December	...	-14.49	-1.56	1.87	46.32	6	2.21	13	4.64	2.06	53.17	7.46	55.92	-4.61												
January	...	-14.97	-1.63	1.70	47.57	9	2.28	16	4.75	1.95	54.60	8.17	55.81	-4.62												
February	...	-15.42	-1.70	1.82	48.94	9	2.34	19	4.88	2.10	56.16	8.08	56.59	-4.63												
March	...	-16.90	-1.79	2.01	50.53	10	2.40	21	5.01	2.32	57.94	13.37	61.36	-4.63												
Total	...	-16.60	-1.79	20.67	50.53	96	2.40	2.08	5.01	23.71	57.94	101.07	61.36	-4.63	5.31	130.00	1,02.29									
1951-52																										
April	...	-16.29	-1.85	2.02	52.07	6	2.37	13	5.07	2.21	59.51	9.10	62.70	-4.64												
May	...	-16.66	-1.91	1.78	53.24	6	2.49	15	5.17	1.99	60.90	9.51	63.16	-4.65												
June	...	-17.96	-1.71	54.51	8	2.55	13	5.34	1.92	62.81	8.75	64.27	-4.65													
July	...	-17.44	-2.02	1.83	55.94	7	2.59	15	5.34	2.05	63.87	8.98	66.08	-4.65												
August	...	-17.84	-2.09	1.90	57.45	13	2.64	13	5.42	2.10	65.51	7.51	67.89	-4.66												
September	...	-18.19	-2.16	1.85	58.94	5	2.67	11	5.49	2.01	67.10	7.98	68.16	-4.67												
October	...	-18.53	-2.23	1.76	60.16	5	2.70	14	5.58	1.96	68.44	7.83	68.66	-4.67												
November	...	-18.90	-2.30	1.80	61.39	5	2.72	13	5.66	1.98	69.77	7.85	67.99	-4.68												
December	...	-19.25	-2.46	1.64	62.58	6	2.76	13	5.74	1.83	71.03	7.66	67.91	-4.68												
January	...	-19.56	-2.42	1.61	63.62	7	2.81	13	5.82	1.71	72.25	7.75	68.04	-4.70												
February	...	-19.86	-2.46	1.64	64.79	5	2.83	13	5.90	1.83	73.52	8.21	68.27	-4.70												
March†	...	-20.20	-2.55	2.65	66.86	9	2.89	28	6.09	3.03	76.83	11.28	71.16	-4.70												
Total	...	-20.20	-2.55	22.09	66.86	76	2.89	1.75	6.09	24.60	76.83	103.79	71.16	-4.70	12.10	18.39	141.40	1,37.98								

Note.—Figures relate to the Indian Union; the outstandings do not include the Indian Union's share of the pre-partition liabilities.

† Provisional.

* Represent progressive net repayments since August 15, 1947. Receipts are nil.

† Issued from February 1, 1951.

STATEMENT 79

INDIA'S BALANCE OF PAYMENTS (Including Pakistan)

(January 1950—December 1951)

A. CURRENT ACCOUNT

(Reference paragraphs 92 & 94)

	January-June 1950			July-December 1950			January-June 1951			July-December 1951		
	Receipts Payments		Net	Receipts Payments		Net	Receipts Payments		Net	Receipts Payments		Net
	Receipts	Payments		Receipts	Payments		Receipts	Payments		Receipts	Payments	
1. Merchandise (Exports <i>f.o.b.</i> Imports <i>c.i.f.</i>) (a)	260.2	264.0	- 3.8	326.9	295.0	+ 31.9	383.5	400.6	- 17.1	347.0	469.6	- 122.6
2. Non-monetary gold movement	...	—	—	0.1	—	0.1	—	—	—	—	—	—
3. Foreign travel	...	4.9	- 4.9	..	9.7	- 9.7	..	10.9	- 10.9	..	16.8	- 16.8
4. Transportation (b)	...	12.2	4.6	+ 7.6	14.1	4.6	+ 9.5	19.2	5.5	+ 13.7	21.0	6.8 + 14.2
5. Insurance	...	2.5	1.7	+ 0.8	2.7	1.4	+ 1.3	3.8	1.4	+ 2.4	4.7	1.6 + 3.1
6. Investment income (c) ..	3.4	15.2	- 11.8	3.7	15.5	- 11.8	3.0	15.5	- 12.5	4.8	15.8	- 11.0
7. Government, not included elsewhere (d) ..	11.0	17.2	- 6.2	8.2	9.1	- 0.9	11.1	14.0	- 2.9	11.6	12.5	- 0.9
8. Miscellaneous (e)	11.2	1.1	+ 10.1	10.9	4.0	+ 6.9	12.8	4.2	+ 8.6	12.4	4.7	+ 7.7
9. Donations (f)	...	8.2	2.7	+ 5.5	11.2	3.0	+ 8.2	9.6	3.0	+ 6.6	10.3	2.6 + 7.7
9a. Undesignated	...	17.6	5.7	+ 11.9	17.3	4.4	+ 12.9	23.4	3.0	+ 20.4	19.6	2.8 + 16.8
10. Total Current Trans- actions ..	328.2	317.0	+ 9.1	395.0	345.7	+ 49.3	466.4	458.1	+ 8.3	431.4	533.2	- 101.8
<i>Errors and Omissions</i> ..	10.0	- 10.0	..	12.8	- 12.8	..	4.9	4.9	..	28.7	- 28.7	..

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(a) Data for 1950 alone include transactions under Government barter deals. Data for 1951, however, include transactions under the U.S. Food Loan. (b) Covers on the receipts side, estimated amounts, for re-imbursement of freight paid in advance by exporters and disbursements of foreign ships in Indian ports, etc., and on the payments side, operating expenses abroad of Indian steamship companies and some freight payments. (c) Receipts include interest on investments of the Reserve Bank of India. The payments figures are estimates. (d) The payments figures represent disbursements of the Government, such as those for the upkeep of its organisations abroad and contributions to international organisations. (e) Covers mainly receipts and payments for services such as those for film rentals, technicians and agency services. (f) Comprises unilateral transfers like maintenance remittances and receipts of missionaries. The receipt figure for the second half of 1950 includes a receipt of \$4.5 million from ECA for purchase of coarse grains at concession rates.

B. CAPITAL ACCOUNT

Net Movement increasing (+) or decreasing (-)

	January-June 1950			July-December 1950			January-June 1951			July-December 1951		
	Assets	Liabilities	Net Assets	Assets	Liabilities	Net Assets	Assets	Liabilities	Net Assets	Assets	Liabilities	Net Assets
Movement of Capital and Monetary Gold												
Private (excluding banking institutions)	- 5.8	- 8.4	+ 2.6	- 4.4	- 10.7	+ 6.3	- 7.8	- 9.4	+ 1.6	- 4.8	- 5.9	+ 1.0
11. Long-term capital ...	-	+ 0.6	- 0.6	-	- 0.5	+ 0.5	-	- 0.1	+ 0.1	-	+ 1.0	+ 1.0
12. Short-term capital ...	-	-	-	-	-	-	-	-	-	-	-	-
Official and Banking Institutions												
13. Long-term capital ...	-	- 7.8	- 7.8	-	-	-	-	-	+ 3.9	- 3.9	-	+ 39.5
13.1 Official loans (g) ...	-	-	-	-	-	-	-	-	-	-	-	-
13.2 Bank loans ...	-	-	-	-	-	-	-	-	-	-	-	-
13.3 Portfolio securities (h) ...	-	+ 5.6	- 6.9	-	-	-	-	-	+ 0.2	- 0.3	-	+ 7.9
13.4 Amortization (i) ...	- 1.3	+ 1.2	- 2.5	-	- 3.7	-	-	-	- 1.6	- 2.7	-	- 3.1
13.5 Other contractual repayments ...	- 3.7	-	-	-	-	-	-	-	- 3.8	-	-	-
13.6 Other (j) ...	-	-	-	-	-	-	-	-	-	-	-	-
14. Short-term capital ...	+ 11.8	-	+ 11.8	+ 2.6	-	+ 2.6	-	-	-	-	-	-
14.1 Payments and clearing agreements ...	-	-	-	-	-	-	-	-	-	-	-	-
14.2 Liabilities to IMF and IBRD ...	-	-	-	-	-	-	-	-	-	-	-	-
14.3 Other liabilities to official and banking institutions (k) ...	-	-	-	-	-	-	-	-	-	-	-	-
14.4 Other (l) ...	- 11.9	- 6.9	+ 7.6	- 5.0	- 14.5	- 6.6	-	+ 19.1	- 19.1	-	-	- 4.6
15. Monetary gold ...	-	-	-	-	-	-	-	-	- 8.0	+ 36.9	- 80.2	+ 12.1
16. Total Movement of Capital and Monetary Gold ...	- 10.9	- 9.9	- 0.9	+ 9.0	- 28.5	+ 35.5	+ 17.3	+ 4.0	+ 13.2	- 88.7	+ 41.7	- 130.4

(g) Represents drawings on IBRD Loans in 1950 and in the first half of 1951. The entry for the second half of 1951 covers mainly drawings on the U.S. Food Loan included on an estimated basis. (h) Includes on the assets side changes in holdings of foreign securities by the commercial banks and on the liabilities side movement in rupee securities held on account of foreigners and small amounts of sterling stock repatriated during the two years. (i) Principal repayment of Railway Loan to the IBRD is entered on the liabilities side in addition to payments to Railway Annuity holders. The entry on the assets side relates to withdrawals from Pensions Annuities. (j) The entries are an off-set to certain extraordinary transfers of sterling to Pakistan (in 1950) and Aden (in 1951) included in item 14.4. (k) Includes movement in the rupee balances held by non-resident banks and official institutions, foreign exchange liabilities of authorised dealers and Treasury bills held by foreign official institutions in India. (l) Includes on the assets side mainly the changes in the foreign assets of the Reserve Bank of India, the balances of India Supply Mission, Washington, High Commissioner's balances in London and foreign exchange assets of authorisec dealers. Liabilities cover movement in the rupee balances of non-resident individuals and net inflow of Indian currency in circulation from abroad.

STATEMENT 80
INDIA'S BALANCE OF TRADE FOR THE YEARS 1950 AND 1951
(Including Pakistan)
(Reference paragraph 94)

(Crores of Rupees)												
Sterling Area				Hard Currency Area				Other Areas				TOTAL
	Receipts	Pay- ments	Net	Receipts	Pay- ments	Net	Receipts	Pay- ments	Net	Receipts	Pay- ments	Net
January-March 1950	Private	68.7	39.6	+29.7	45.4	29.2	-16.2	18.1	16.8	+1.3	132.2	85.7 + 46.6
Government		18.3	-18.3	-	5.4	10.0	-4.6	4.6	-4.6	-	6.6	32.8 - 26.2
Total	Total	68.7	57.9	+10.8	50.8	39.2	-4.11.6	19.8	-21.3	-2.0	138.8	118.4 - 20.4
April-June 1950	Private	67.3	55.8	+11.5	35.8	39.1	-3.3	15.1	16.6	-1.4	118.2	111.4 - 6.8
Government		14.2	-14.2	-	3.1	17.1	-13.9	2.9	-2.9	-3.1	34.1	34.1 - 0.0
Total	Total	67.3	70.0	-2.7	38.9	56.1	-17.2	15.1	19.5	-4.3	121.4	145.6 - 24.2
July-September 1950	Private	83.8	69.0	+14.9	40.0	15.6	+24.5	18.4	24.2	-5.8	142.3	108.7 + 33.5
Government		23.5	-23.5	-	1.8	10.5	-8.7	2.9	-3.9	-3.9	37.9	37.9 - 36.7
Total	Total	83.8	92.5	-- 8.7	41.8	28.0	+15.8	18.4	28.1	-9.7	144.1	143.6 - 2.6
October-December 1950	Private	102.3	62.6	+39.7	50.0	18.3	+31.7	26.9	23.9	+3.0	179.2	104.9 + 74.3
Government		17.7	-17.7	-	3.7	20.4	-16.7	3.7	-3.8	-3.8	43.5	43.5 - 39.8
Total	Total	102.3	80.3	+21.9	53.7	38.8	+15.4	26.9	29.8	-2.9	182.9	148.4 + 34.5
January-December 1950	Private	322.2	227.1	+95.7	171.2	102.1	+69.1	78.5	81.5	-3.0	571.9	410.7 + 161.2
Government		73.7	-73.7	-	14.0	57.4	-43.4	1.2	17.1	-15.9	15.2	148.3 - 133.1
Total	Total	322.2	300.8	+21.4	185.2	159.5	+25.7	79.7	98.6	-18.9	637.1	559.0 + 88.1
January-March 1951	Private	97.7	62.4	+35.3	58.5	31.3	+27.2	37.9	41.8	-3.9	194.1	135.5 + 58.6
Government		22.4	-22.4	-	0.1	24.3	-24.2	0.1	6.7	-6.7	53.5	53.5 - 53.3
Total	Total	97.8	84.8	-13.0	58.6	55.6	+3.0	37.9	48.5	-10.6	194.3	188.9 - 5.4
April-June 1951	Private	93.2	74.9	+18.3	61.2	27.5	+33.7	34.3	48.5	-14.7	188.7	150.9 - 37.9
Government		0.5	-31.0	-36.5	—	24.1	-24.1	—	5.7	-5.7	0.5	0.5 - 0.5
Total	Total	93.7	105.9	-12.2	61.2	51.6	-9.6	34.3	54.2	-19.8	189.2	211.7 - 22.5
July-September 1951	Private	102.6	82.9	+19.7	40.4	31.0	+31.4	33.4	40.4	-7.0	176.4	154.3 + 22.7
Government		21.6	-21.6	-	21.4	33.1	-33.1	—	15.7	-15.7	70.3	70.3 - 69.8
Total	Total	103.1	104.4	-1.4	40.4	64.0	-23.7	33.4	56.1	-22.7	176.9	224.6 - 47.7
October-December 1951*	Private	98.2	81.1	+17.1	43.7	45.0	-1.3	27.6	35.1	-7.5	169.5	161.2 + 8.3
Government		9.0	-8.4	-	—	68.0	-68.0	—	6.8	-6.8	0.6	0.6 - 0.6
Total	Total	98.8	90.1	+ 8.7	43.7	113.0	-69.3	27.6	41.9	-14.3	170.1	245.0 - 74.9
January-December 1951	Private	391.6	301.3	+90.3	203.8	134.8	+69.0	133.3	165.7	-32.4	728.7	601.8 + 126.9
Government		84.0	-82.3	-	0.1	149.5	-149.4	—	35.0	-35.0	1.8	1.8 - 1.8
Total	Total	393.3	385.2	+ 8.0	203.9	284.2	-90.3	133.3	200.7	-67.4	730.5	670.2 - 139.7

Note :—Data for 1950 include barter transactions. Data for 1951, however, include transactions under the U.S. Wheat Loan. * Provisional.

Source : Exchange Control Department, Reserve Bank of India; figures relating to Pakistan for the period prior to the extension of exchange control are based principally on customs data.

STATEMENT 81

FINANCING OF INTERNATIONAL TRANSACTIONS (Including Pakistan)

(Reference paragraph 94)

(Crores of Rupees)

		1950	1951
A. Goods and Services :			
Exports, f.o.b. ...	...	+ 587.1	+ 730.5
Imports, c.i.f. ...	...	- 559.0	- 870.2
Trade balance ...	...	+ 28.1	- 130.7
Non-monetary gold ...	...	- 0.1	—
Investment income ...	...	- 23.6	- 23.5
Government ...	...	- 4.9	- 3.9
Other ...	...	+ 46.4	+ 59.3
Total ...	...	+ 45.8	- 107.8
B. Private Donations and Capital Movements :			
Donations ...	...	+ 11.6	+ 14.3
Long-term private capital ...	...	+ 3.9	- 2.5
Short-term private capital ...	...	- 2.0	+ 0.1
Total ...	...	+ 5.7	+ 11.9
C. Special Official Financing :			
Amortization and contractual repayments ...	...	+ 7.0	+ 6.9
IBRD Loans ...	...	+ 9.5	+ 4.8
Total ...	...	+ 16.5	+ 11.7
D. Extraordinary Transactions :			
Transfer of sterling to Pakistan under Partition Arrangements ...	...	+ 14.3	—
Transfer of sterling to Aden in return for demonetised Indian currency ...	...	—	+ 2.9
Reduction in liabilities to Pakistan ...	...	- 14.3	—
Reduction in liabilities to Aden ...	...	—	- 2.0
Total ...	...	—	—
E. Errors and Omissions ...	...	- 22.7	- 23.8
F. Surplus (+) or Deficit (-) ...	...	+ 45.3	- 108.0
G. Compensatory Official Financing†			
Barter deals ...	...	+ 2.0	—
Drawings on U.S. Wheat Loan ...	...	—	+ 58.5
Repatriation of Indian currency ...	...	- 12.6	- 19.3
Rupee securities held by foreign official institutions ...	...	- 1.0	- 1.5
Other short-term liabilities ...	...	- 11.0	+ 23.7
Foreign exchange assets ...	...	- 21.1	+ 46.7
Total ...	...	- 45.3	+ 108.0

† Financing undertaken by monetary authorities to cover a surplus or deficit in the rest of the balance of payments.

STATEMENT 82

INDIA'S BALANCE OF PAYMENTS

(January 1950-December 1951)

CURRENT ACCOUNT—REGION-WISE

(Reference paragraph 94)

(Crores of Rupees)

	A. Sterling Areas <small>(including Pakistan)—</small>	January-June 1950			July-December 1950			January-June 1951			July-December 1951		
		Receipts	Payments	Net	Receipts	Payments	Net	Receipts	Payments	Net	Receipts	Payments	Net
236	1. Merchandise												
	(a) Private	... 136.1	95.5	+ 40.6	186.1	131.6	+ 54.5	190.9	137.3	+ 53.6	200.7	164.0	+ 36.7
	(b) Govt. food and stores	... —	32.5	- 32.5	—	41.3	- 41.3	0.6	53.4	- 52.8	1.1	30.5	- 29.4
	2. Gold (Non-monetary)	... —	—	—	—	—	—	—	—	—	—	—	—
	3. Services												
	(a) Foreign travel, transportation and insurance	10.1	6.0	+ 4.0	12.3	6.2	+ 6.1	14.7	6.2	+ 8.6	16.7	6.3	+ 10.3
	(b) Investment income ...	3.3	11.2	- 7.9	3.6	10.5	- 6.9	2.8	12.6	- 9.8	4.6	11.8	- 7.2
	(c) Govt. transactions (not included elsewhere)	... 10.9	13.5	- 2.6	8.2	7.7	+ 0.5	10.4	12.2	- 1.8	10.9	10.9	—
	(d) Miscellaneous	... 10.8	0.2	+ 10.7	9.7	2.0	+ 7.7	11.9	2.5	+ 9.4	11.0	2.8	+ 8.2
	4. Donations	... 5.9	2.2	+ 3.7	6.6	2.2	+ 4.3	6.0	2.3	+ 4.6	7.5	2.2	+ 5.4
	5. Unclassified	... 13.3	4.1	+ 9.2	12.5	3.5	+ 9.0	18.7	1.8	+ 16.9	14.8	2.0	+ 12.9
	Total	... 190.4	165.1	+ 25.3	238.0	204.9	+ 34.0	266.8	223.2	+ 28.6	267.4	230.5	+ 36.9
	B. Hard Currency Area—												
	1. Merchandise												
	(a) Private	... 81.2	68.3	+ 12.9	90.1	33.9	+ 56.2	119.7	58.8	+ 60.9	84.1	76.0	+ 8.1
	(b) Govt. food and stores	... 8.5	27.0	- 18.5	5.5	30.4	- 25.0	0.1	48.4	- 48.3	—	101.1	- 101.1

2.	Gold (Non-monetary)	...	—	—	—	—	—	—	—	—	—	—	
3.	Services	...	—	—	—	—	—	—	—	—	—	—	
	(a) Foreign travel, trans-	portation and insur-	ance	2.7	2.2	+ 0.5	2.4	1.9	+ 0.5	3.8	2.2	+ 1.5	
	(b) Investment income ...	0.1	4.0	- 4.0	0.1	4.8	- 4.7	0.1	2.9	- 2.8	0.2	3.4	
	(c) Govt. transactions (not included else- where)	—	2.9	- 2.9	—	0.6	- 0.6	0.3	0.6	- 0.3	0.4	0.8	
	(d) Miscellaneous	0.1	0.4	- 0.3	1.0	0.8	+ 0.2	0.5	0.6	- 0.1	0.7	0.8	
4.	Donations	...	2.1	+ 1.8	4.4	0.3	+ 4.1	2.6	0.2	+ 2.4	2.7	0.1	
5.	Unclassified	...	2.6	+ 1.4	+ 1.1	2.4	0.7	+ 1.8	2.5	+ 1.5	1.9	0.5	
	Total	...	97.3	106.5	- 9.2	105.9	73.5	+ 32.4	129.6	- 14.9	92.3	184.9	
C.	Other Areas—	...	—	—	—	—	—	—	—	—	—	—	
1.	Merchandise	...	—	—	—	—	—	—	—	—	—	—	
	(a) Private	33.2	33.4	- 0.2	45.3	48.1	- 2.9	72.3	90.3	- 15.0	61.1	75.5	
	(b) Govt. food and stores	1.2	7.4	- 6.2	—	9.7	- 9.7	—	12.5	- 12.5	—	22.5	
2.	Gold (Non-monetary)	...	—	—	—	—	—	—	—	—	—	—	
3.	Services	...	—	—	—	—	—	—	—	—	—	—	
	(a) Foreign travel, trans-	portation and insurance	1.9	2.9	- 1.1	2.1	7.6	- 5.3	4.5	9.5	- 5.0	5.7	16.6
	(b) Investment income ...	0.1	0.1	—	—	0.2	- 0.2	0.1	0.1	—	—	0.6	
	(c) Govt. transactions (not included else- where)	0.1	0.8	+ 0.7	—	0.8	- 0.8	0.4	1.2	- 0.8	0.3	0.8	
	(d) Miscellaneous	0.2	0.4	- 0.2	0.3	1.2	- 0.9	0.5	1.1	- 0.6	0.7	1.1	
4.	Donations	...	0.2	0.2	+ 0.1	0.2	0.5	- 0.3	0.1	0.5	- 0.4	0.1	
5.	Unclassified	...	1.7	0.2	+ 1.6	2.4	0.3	+ 2.7	2.2	0.2	+ 2.0	2.8	
	Total	...	38.5	45.4	- 6.9	50.2	68.3	+ 18.1	80.0	115.3	- 35.3	70.7	117.8
												- 47.1	

* Comprises, for the first half of 1950, the United States, other American countries, Canada, Belgium, Germany, Switzerland, Japan, Argentina, Paraguay (upto May) and Liberia. In the second half of 1950, Belgium and Germany were excluded from August and Switzerland from November. In 1951 there were no changes except for the removal of Argentina from the list as from April 1951.

STATEMENT 83

INDO-PAKISTAN BALANCE OF PAYMENTS

(January 1950-December 1951)

CURRENT ACCOUNT

(Reference paragraph 94)

	January-June 1950			July-December 1950			January-June 1951			July-December 1951		
	Receipts Payments		Net	Receipts Payments		Net	Receipts Payments		Net	Receipts Payments		Net
1. Merchandise	...	8.4	5.6	...	2.8	22.6	27.4	—	4.8	10.5	31.6	—21.7
2. Non-monetary Gold	...	—	—	—	—	—	—	—	—	—	—	—
3. Foreign travel	—
4. Transportation	1.2	—
5. Insurance	—	0.6	—
6. Investment income	0.4	—
7. Government, not included elsewhere	0.1	..	..	0.3	—
8. Miscellaneous	—	0.1	—0.1	0.1	0.2
9. Donations	—	—	—	—	—
9a. Unclassified	1.7	0.1	+1.6	2.7	0.2
10. Total Current Transactions	...	8.4	5.6	—	2.8	22.6	27.4	—	4.8	12.4	31.8	—19.5
											20.7	48.2
												—27.5

Note.—The figures for the period prior to the extension of exchange control are primarily based on customs data, but adjusted for coverage and valuation. It has not been possible to estimate the invisible transactions in 1950.

STATEMENT 84

INDIA'S IMPORTS OF PRINCIPAL COMMODITIES

(Reference paragraph 95)

(Lakhs of Rupees)

Commodities	January-March 1951	April-June 1951	July-September 1951	October-December 1951	January-March 1952	January-December 1951	April 1951 March 1952
Class I							
Fruits and Vegetables	... ... 3,46	1,42	1,11	3,49	4,07	9,39	9,98
Grain, Pulse and Flour*	... ... 28,91	34,33	54,10	56,79	73,58	174,04	218,71
Provisions and Oilman's Stores	... ... 1,33	1,48	2,79	3,46	3,99	9,08	10,81
Spices	... ... 1,39	2,38	2,21	2,38	1,32	8,36	8,29
Tobacco	... ... 1,03	63	57	13	66	2,36	1,99
Others	... ... 53	41	51	56	1,25	2,01	2,75
Total for the Group	... ... 38,65	40,65	61,29	66,63	88,97	205,22	252,58
Class II							
Non-metallic mining and quarry products and the like	... ... 68	47	55	1,07	1,01	2,77	3,09
Oils—Vegetable, Mineral and Animal	... ... 11,53	16,48	20,20	22,86	19,59	71,07	79,14
Cotton, Raw and Waste	... ... 25,64	40,63	23,78	22,99	49,00	118,04	136,39
Wool, Raw and Waste	... ... 1,60	88	1,15	45	10	4,08	2,58
Others	... ... 9,32	6,15	9,09	7,91	7,76	32,47	30,93
Total for the Group	... ... 48,77	64,61	54,77	55,28	77,46	223,43	252,13
Class III							
Chemicals, Drugs and Medicines	... 5,91	7,56	9,16	8,64	10,47	31,30	35,84
Cutlery and Hardware	... ... 4,90	5,09	4,75	4,61	5,20	19,38	19,68
Dyes and Colours	... ... 6,15	6,93	4,89	3,76	3,65	21,73	19,23
Electrical goods and apparatus	... 1,97	2,23	2,27	2,71	3,16	9,18	10,36
Machinery of all kinds	... ... 20,57	23,94	25,44	25,68	28,99	95,62	104,05
Metals—Iron and Steel and Manufactures thereof	... ... 4,55	4,73	5,09	5,54	6,60	19,90	21,96
Metals Other than Iron and Steel and Manufactures thereof	... 5,22	5,47	4,54	4,59	6,05	19,82	20,65
Paper, Paste-board and Stationery	... 3,93	4,15	3,79	3,06	2,98	15,83	14,88
Vehicles	... ... 6,64	5,87	8,11	8,70	10,51	29,32	33,19
Cotton yarns and manufactures	... 92	1,75	1,90	1,36	1,52	5,93	6,53
Woollen yarns and manufactures	... 25	3,00	1,95	1,56	1,72	6,78	8,23
Other yarns and textile fabrics	... 8,27	7,37	6,43	3,82	2,18	25,89	19,81
Others	... ... 5,86	6,02	6,16	5,04	7,10	24,00	25,22
Total for the Group	... ... 75,17	84,11	84,48	80,90	90,13	324,66	339,62
TOTAL FOR ALL GROUPS	... 161,70	180,32	201,45	203,92	253,92	757,39	849,60

Note.—Imports from Pakistan have been excluded.

* Excluding certain consignments of foodstuffs imported on Government Account awaiting adjustment.

Source : Sea-borne Trade Accounts,

STATEMENT 85

INDIA'S EXPORTS* OF PRINCIPAL COMMODITIES

(Reference paragraph 95)

(Lakhs of Rupees)

Commodities	January-March 1951	April-June 1951	July-September 1951	October-December 1951	January-March 1952	January-December 1951	April 1951-March 1952
<i>Class I</i>							
Fruits and Vegetables	... ... 3,12	2,71	3,08	2,85	2,30	11.76	10.91
Spices	... ... 10,81	6,24	7.08	4,78	8.57	28.91	26.67
Tea	... ... 23.66	12.08	26.99	31.47	22.75	94.20	93.99
Tobacco	... ... 2.28	3.50	5.69	3.62	2.40	15.09	15.31
Others	... ... 1.31	1.24	1.63	1.66	1.84	5.84	6.38
Total for the Group	... ... 41.18	25.77	44.47	44.38	37.95	155.80	152.56
<i>Class II</i>							
Non-metallic mining and quarry products and the like	... ... 3.43	4.85	3.64	2.65	3.02	14.57	14.16
Gums, Resins and Lac	... ... 4.93	5.44	3.78	4.11	2.85	18.26	16.18
Hides and Skins, Raw	... ... 3.06	3.36	1.91	1.62	1.64	9.95	8.52
Metallic Ores and Scrap Iron or Steel for re-manufacture	... 1.47	1.39	2.05	3.01	12.27	7.92	18.72
Oils—Vegetable, Mineral and Animal	... ... 15.77	8.64	4.95	3.58	5.34	32.94	22.51
Seeds	... ... 6.72	4.12	1.15	45	1.98	12.44	7.70
Cotton, Raw and Waste	... ... 6.62	15.05	2.26	1.56	1.87	25.49	20.74
Wool, Raw and Waste	... ... 4.17	36	36	1.90	2.28	6.79	4.90
Other Textile Materials	... ... 69	81	34	48	90	2.32	2.53
Others	... ... 3.44	5.38	6.04	4.80	5.12	19.66	21.34
Total for the Group	... ... 50.30	49.40	26.48	24.16	37.26	150.34	137.32
<i>Class III</i>							
Hides and Skins (tanned or dressed) and Leather	... ... 12.44	9.09	6.15	5.45	4.57	33.13	25.25
Cotton yarns and manufactures	... 52.26	18.35	9.86	12.11	14.11	92.58	54.43
Jute yarns and manufactures	... 27.00	72.73	75.59	62.37	54.87	237.69	266.54
Woollen yarns and manufactures	... 1.80	3.13	1.42	97	96	7.38	6.48
Others	... ... 11.46	10.31	10.12	8.34	8.68	40.33	37.46
Total for the Group	... ... 104.96	118.61	108.14	89.24	88.18	410.95	339.16
TOTAL FOR ALL GROUPS	... 197.22	189.56	174.83	158.81	150.39	720.42	682.59

*Note.—Exports to Pakistan have been excluded. * Indian Merchandise.*

Source : Sea-borne Trade Accounts.

STATEMENT 86

IMPORTANT IMPORTS FROM THE UNITED STATES

(Reference paragraph 95)

(Lakhs of Rupees)

Commodities	January-March 1951	April-June 1951	July-September 1951	October-December 1951	January-March 1952	January-December 1951	April 1951-March 1952
Tobacco (unmanufactured)	79	59	53	8	57	1,99	1,76
Provisions and Oilman's stores	8	8	28	20	21	64	76
Cotton, Raw	7,61	12,74	3,00	10,40	36,41	33,75	62,55
Metals and Manufactures thereof	2,08	1,58	1,64	1,29	3,14	6,59	7,85
Mineral Oils	1,52	1,23	1,50	1,96	3,22	6,21	7,91
Chemicals, Drugs and Medicines	1,75	2,11	2,89	2,55	3,63	9,30	11,19
Dyes and Colours	58	64	46	22	23	1,80	1,45
Electrical Goods and Apparatus	25	24	28	31	40	1,08	1,23
Cutlery, Hardware, Implements and Instruments	77	74	72	60	79	2,83	2,86
Machinery of all kinds	3,45	4,17	6,29	3,30	4,38	17,21	18,14
Vehicles	2,30	1,49	2,77	3,05	3,75	9,61	11,06
Total (all commodities)	30,49	47,77	53,06	70,07	117,01	201,39	287,91

Source: Sea-borne Trade Accounts.

STATEMENT 87

IMPORTANT EXPORTS TO THE UNITED STATES

(Reference paragraph 95)

(Lakhs of Rupees)

Commodities	January-March 1951	April-June 1951	July-September 1951	October-December 1951	January-March 1952	January-December 1951	April 1951-March 1952
Tea	2,88	1,10	1,29	1,77	2,13	7,04	6,29
Spices	7,04	3,47	2,37	2,51	3,90	15,40	12,36
Cashew Kernels	1,94	1,70	2,08	1,77	81	7,49	6,36
Mica	2,21	2,62	1,73	1,08	1,00	7,65	6,44
Manganese Ore	1,39	97	1,16	2,52	3,85	6,04	8,51
Lab	2,06	1,48	84	1,26	1,25	5,85	4,84
Hides and Skins, Raw	1,20	1,61	1,17	82	78	4,80	4,37
Cotton, Raw	1,66	4,24	47	—	—	6,37	4,71
Jute Manufactures :							
Gunny Cloth	6,12	15,13	10,88	14,10	12,55	46,94	53,67
Gunny Bags	4	3	2	4	2	13	11
Hides and Skins (tanned or dressed) and leather	4,51	66	34	56	49	6,07	2,04
Total (all commodities including re-exports)	40,48	41,28	38,78	38,98	35,13	137,52	132,18

Note.—Re-exports are not included in the commodities specified.

Source: Sea-borne Trade Accounts.

STATEMENT 88

EXPORTS OF GUNNY CLOTH AND GUNNY BAGS TO PRINCIPAL COUNTRIES

(Reference paragraph 95)

(Lakhs of Rupees)

Principal Countries	January-March 1951	April-June 1951	July-September 1951	October-December 1951	January-March 1952	January-December 1951	April 1952 March 1952
GUNNY CLOTH							
<i>Sterling Area Countries :</i>							
U.K.	1,01	11,37	11,30	4,80	3,42	28,68
Australia	36	1,68	1,71	1,18	57	4,93
<i>Other Soft Currency Countries :</i>							
Egypt	18	14	79	27	29	1,38
Uruguay	7	52	80	62	19	2,01
Argentina	2,87	8,05	5,51	2,89	21	19,32
<i>Dollar Countries :</i>							
U.S.A.	6,12	15,13	10,88	14,10	12,55	46,23
Canada	82	2,72	1,28	87	1,70	5,69
Philippines	5	46	27	37	15	1,15
Total (all countries excluding Pakistan)	11,77	42,47	35,13	28,76	20,17	116,13
GUNNY BAGS							
<i>Sterling Area Countries :</i>							
U.K.	32	1,80	2,90	2,80	3,43	7,82
Australia	3,16	5,07	8,04	6,23	6,67	22,50
Burma	78	1,31	3,01	2,96	1,51	8,06
Nigeria	13	58	1,35	1,02	94	3,08
Kenya Colony, Zanzibar and Pemba	24	1,92	84	40	26	3,40
<i>Other Soft Currency Countries :</i>							
Egypt	71	10	28	31	1,67	1,40
Chile	38	—	84	85	82	2,07
China	1,63	1,03	1,47	1,48	1,31	5,61
<i>Dollar Countries :</i>							
U.S.A.	4	3	2	4	6	18
Cuba	1,79	1,66	1,89	5,66	1,84	11,90
Total (all countries excluding Pakistan)	12,50	26,99	37,82	33,52	33,94	111,68

Source : Sea-borne Trade Accounts.

STATEMENT 89
EXPORTS OF TEA TO PRINCIPAL COUNTRIES
(Reference paragraph 95)

(Lakhs of Rupees)

Principal Countries	January-March 1951	April-June 1951	July-September 1951	October-December 1951	January-March 1952	January-December 1951	April 1951-March 1952
<i>Sterling Area Countries :</i>							
U.K.	14.97	6.22	17.38	23.03	14.28	61.60
Irish Republic	2.01	30	2.68	2.03	1.01	7.02
Australia	1.00	53	13	19	46	1.85
<i>Other Soft Currency Countries :</i>							
U.S.S.R.	—	—	—	51	61	51
Iran	1.46	86	1.70	51	65	4.53
Netherlands	25	29	21	34	38	1.09
<i>Dollar Countries :</i>							
U.S.A.	2.88	1.10	1.29	1.77	2.13	7.04
Canada	1.04	1.24	1.28	94	85	4.50
Total (all countries excluding Pakistan)	25.44	12.08	26.99	31.47	22.74	95.98
							93.29

Source : Sea-borne Trade Accounts.

STATEMENT 90
EXPORTS OF COTTON PIECEGOODS* TO PRINCIPAL COUNTRIES
(Reference paragraph 95)

(Lakhs of Rupees)

Principal Countries	January-March 1951	April-June 1951	July-September 1951	October-December 1951	January-March 1952	January-December 1951	April 1951-March 1952
<i>Sterling Area Countries :</i>							
U.K.	4.07	2.19	1.19	1.25	46	8.70
Malaya (including Singapore)	12.79	3.11	1.36	1.43	86	18.69	6.76
Aden and Dependencies	2.29	58	38	96	1.03	4.21
Ceylon	2.17	53	18	7	32	2.95
Nigeria	41	21	22	26	12	1.10
Tanganyika Territory	28	11	8	19	59	80
Kenya Colony and Zanzibar and Pemba	77	40	11	45	73	1.73
Australia	2.28	82	68	1.47	90	5.25
Burma	1.68	37	18	14	85	2.37
<i>Other Soft Currency Countries :</i>							
A.E. Sudan	96	32	19	51	57	1.98
Afghanistan	94	1.23	35	40	65	2.92
Total (all countries excluding Pakistan)	41.17	14.06	6.62	8.70	9.28	71.15
							39.26

* Mill-made cotton piecegoods.

Source : Sea-borne Trade Accounts.

STATEMENT 91

INDIA'S TRADE AGREEMENTS, 1951-52 (Reference paragraph 96)

Countries	Date of Agreement	Duration	Important Imports into India	Important Exports from India
1. Iraq	... May 29, 1951	Upto December 31, 1951.	Dates, wheat, rice, millet and barley.	Cotton piecegoods, jute manufactures, tea, oilseeds, spices, coir and coir manufactures, machinery and machine tools, industrial chemicals, etc.
2. Switzerland	... Letters exchanged on June 8, 1951	1950-51 agreement extended for ten months from March 1951 to December 1951	Equipment for machine tool factory, railway coaches, aluminium and products, watches and clocks, dye-stuffs, textile chemicals, textiles, etc.	Groundnuts and groundnut oil, linseed, hessian, coffee, manganese ore, tea, spices, etc.
3. Western Germany	... Letters exchanged on June 30, 1951 and on March 19, 1952	1950-51 agreement extended for four months ending October 31, 1951— Fresh agreement from November 1, 1951 to October 31, 1952	Chemicals and related products, machinery and metal products, non-ferrous metals, instruments and apparatus, iron and steel, etc.	Chemicals, coir yarn, raw jute, raw wool, manganese ore, nitrates, nides and skins, coffee, groundnuts, tea, tobacco, jute manufactures, etc.
4. Norway	... Letters exchanged on September 3, 1951	May 1951 to December 31, 1951	Chemical fertilisers, medical and industrial codliver oil, calcium carbide, staple fibre, ferro-silicon of all grades, testing machines, textile machinery, electric motors, diesel engines, pump sets, machine tools, newsprint, etc.	Jute goods, cotton textiles excluding powerloom cloth, raw wool and woollen manufactures, leather and leather goods, cashew-nuts, spicess, tobacco, shellac, nikes, manganese ore, vegetable oils, etc.
5. Australia	... October 1, 1951	July 1, 1951 to June 30, 1952.	Wheat, lead, zinc, tallow, stearine and casein.	Jute manufactures, vegetable oils cotton piecegoods, short staple cotton, cotton waste, cotton yarn, etc.

6. Burma	... September 29, 1951	May 1, 1951 to December 31, 1951 for Part I, and January 1, 1952 to December 31, 1955 for Part II	Rice, lead, teakwood, tin, wolfram, hides and skins, raw, etc.	Jute bags, groundnut oil, cotton yarn and galvanised iron sheets, leather manufactures, tea, spices, tobacco, fruits and vegetables, fish, etc.
7. Ceylon	... February 14, 1952	January 1, 1952 to December 31, 1952	Copra, and coconut oil, hides and skins, raw or salted, unmanufactured tobacco, betelnuts, cloves, citronella oil, etc.	Coal, cotton yarn, jute goods, cotton waste, aluminiumware, castor oil, tobacco, etc.
8. Poland	... Letters exchanged on March 27, 1952	1951 trade agreement extended for one year. January 1, 1952 to December 31, 1952	Raw zinc, zinc dust, zinc sheets, water meters, steel bottles, optical glasses and instruments, textile machinery, machine tools, etc.	Iron ore, manganese ore, shellac, myrrah, balan and myrrabalan extracts, mice, cane, tea, paper, tobacco, chemicals, etc.
9. Italy	... Letters exchanged on April 7, 1952	For the year 1952	Chemicals and chemical products, paper, raw silk, moulding powders, electric transformers, generators and motors, machine tools, etc.,	Oils and oilseeds, spices, tea, coffee, manganese ore, mice, coal, etc.
10. Sweden	... Letters exchanged on May 5, 1952	For the year 1952	Newsprint, aluminium covered steel cables, etc.	Kyanite ore, manganese ore, jute goods, castor oil, cotton waste, etc.
11. Egypt	... Letters exchanged on June 28, 1952	March 1, 1952 to February 28, 1953	Raw cotton, cotton yarns of counts 80s and above, rock phosphates, gypsum anhydrate, etc.	Tea, vegetable oils, cotton piecegoods, shellac, iron and steel manufactures, etc.

Barter deal:

Russia

... June 23, 1951

Wheat

Freely exportable Indian goods.

Treaty of Trade and Commerce :

Afghanistan

... Treaty signed on April 4, 1950 and ratified on January 24, 1952.

Treaty came into force two months after the date of exchange of ratification and will remain in force for a period of three years. Provides for the most-favoured-nation-treatment to the nationals in both countries in matters relating to commerce, industry, trade and insurance in the territory of each.

STATEMENT 92

INDIA'S BALANCE OF TRADE IN MERCHANDISE, 1951-52

(Private and Government)

(Lakhs of Rupees)

1950-51

Imports	Exports	Re-exports	Total Exports	Balance of Trade	Month	1951-52		Total Exports	Re-exports	Imports	Exports	Balance of Trade
						April	May					
39.21 (77)	31,82 (54)	32	32,34 (54)	- 6,87 (- 23)	April	59,40 (2,50)	51,52 (1,15)	52,18 (1,16)	66	59,40 (1,41)	51,52 (1,15)	- 7,22 (- 1,35)
52.10 (2,97)	34.01 (96)	48	34,49 (96)	- 17,01 (- 2,01)	May	70,24 (6,14)	84,90 (1,41)	1,04	85,94 (1,41)	84,90 (1,41)	9,79 (- 4,71)	
50.81 (3.31)	33.32 (1.22)	33	33,65 (1.22)	- 17,16 (- 2,09)	June	79,83 (10,30)	63,85 (1,64)	43	64,28 (1,64)	63,85 (1,64)	- 15,55 (- 8,66)	
46.38 (4.54)	37.04 (1.07)	44	37,43 (1.07)	- 8,85 (- 3,47)	July	75,78 (8,47)	69,52 (1,24)	23	59,85 (1,24)	59,52 (1,24)	- 16,13 (- 7,23)	
61.02 (7,02)	43.53 (2.23)	23	43,76 (2.23)	- 17,96 (- 4,79)	August	63,70 (12,49)	81,77 (1,89)	16	65,96 (1,89)	63,70 (1,89)	- 17,91 (- 10,59)	
55.73 (6,95)	48.32 (3.11)	15	48,47 (3.11)	- 7,96 (- 3,84)	September	61,86 (14,84)	81,67 (1,77)	13	61,98 (1,77)	61,86 (1,77)	- 19,68 (- 13,07)	
40.72 (4.24)	57.26 (1.67)	29	57,55 (1.67)	+ 18,83 (- 2,57)	October	76,35 (11,43)	48,35 (2,08)	15	48,50 (2,08)	76,35 (2,08)	- 27,85 (- 9,38)	
44.21 (1.45)	54.90 (1.77)	36	55.26 (1.77)	+ 11,05 (+ 32)	November	79,32 (11,15)	64,89 (2,94)	15	65,04 (2,94)	79,32 (2,94)	- 14,98 (- 8,21)	
47.97 (2.39)	51.64 (1.42)	26	61,90 (1.42)	+ 3,93 (- 97)	December	77,32 (3,93)	58,87 (2,85)	15	59,02 (2,85)	77,32 (2,85)	- 18,30 (- 1,06)	
58.46 (2.49)	38	58,34 (1.19)	+ 3,89 (- 1,29)	January	92,26 (4,29)	65,88 (2,00)	25	66,13 (2,00)	92,26 (4,29)	- 26,13 (- 2,50)		
53.30 (2.09)	61.81 (93)	50	62,31 (93)	+ 9,01 (- 1,10)	February	84,15 (6,22)	48,68 (3,72)	21	48,89 (3,72)	84,15 (6,22)	- 35,94 (- 2,50)	
58.33 (1.16)	83.92 (91)	60	84,52 (91)	+ 26,19 (- 25)	March	92,13 (5,07)	55,81 (3,47)	35	56,16 (3,47)	92,13 (5,07)	- 35,97 (- 1,60)	
605.98 (30,31)	596.66 (17.02)	454 (-)	600.57 (17.02)	- 4,71 (- 22,29)	Total	958,93 (96,95)	727,73 (26,16)	392 (-)	731,55 (26,16)	958,93 (96,95)	- 224,58 (- 70,89)	

Note.—(1) Figures relating to the transit trade of foreign countries passing through Indias have been excluded. (2) Figures include those for land-frontier trade with Pakistan which have been shown separately within brackets. (3) From April 1950 the figures include the foreign air-borne trade recorded at the Delhi airport. (4) Since April 1951 exports are on f.o.b. basis.

Source : Department of Commercial Intelligence and Statistics, Calcutta.

STATEMENT 93

STERLING TRANSACTIONS OF THE RESERVE BANK OF INDIA*

(Reference paragraph 98)

	Purchases †		Sales ‡		Net Purchases (+) Sales (-)	
	£	Rs.	£	Rs.	£	Rs.
	thousands	lakhs	thousands	lakhs	thousands	lakhs
1949-50	200,268	267,02	60,720	81,04	+ 139,548	+ 185,98
1950-51	345,173	460,23	109,618	146,28	+ 235,555	+ 313,95
1951-52	190,552	254,07	288,702	385,28	- 98,150	- 131,21
1950-51						
April	...	10,355	13,81	13,162	- 2,807	- 3,76
May	...	32,520	43,36	14,809	+ 17,711	+ 23,60
June	...	15,190	20,25	17,820	- 2,630	- 3,52
July	...	16,095	21,46	14,390	+ 1,705	+ 2,26
August	...	20,743	27,60	13,657	+ 7,086	+ 9,43
September	...	26,355	35,14	2,385	+ 23,970	+ 31,96
October	...	11,715	15,62	7,837	+ 3,878	+ 5,16
November	...	20,300	27,07	7,985	+ 12,315	+ 16,41
December	...	10,020	13,36	6,335	+ 3,685	+ 4,91
January	...	13,610	18,15	6,660	+ 6,950	+ 9,26
February	...	99,105	132,14	2,297	+ 96,808	+ 129,07
March	...	69,165	92,22	2,281	+ 66,884	+ 89,18
1951-52						
April	...	16,740	22,32	9,880	+ 6,860	+ 9,13
May	...	16,202	21,60	18,485	- 283	- 40
June	...	14,670	19,56	19,660	- 4,990	- 6,68
July	...	8,210	10,95	23,770	- 15,560	- 20,77
August	...	20,930	27,91	36,867	- 15,937	- 21,29
September	...	30,220	40,29	39,000	- 9,770	- 13,07
October	...	19,440	25,92	20,750	- 1,310	- 1,77
November	...	8,995	11,99	29,010	- 20,015	- 26,72
December	...	16,300	21,73	28,510	- 7,210	- 9,64
January	...	4,965	6,62	28,500	- 20,535	- 27,41
February	...	12,640	16,85	20,765	- 8,125	- 10,86
March	...	21,240	28,32	22,515	- 30,05	- 1,275

* Excluding Government transactions. † Ready and forward purchases, and cancellations of forward sale contracts. Average rate of purchases: 1s. 6d. ‡ Ready and forward sales, and cancellations of forward purchase contracts. Average rate of sales: 1s. 5-6d/64d. In February 1951, however, the rate averaged 1s. 5-31/32d.

STATE

WHOLE RUPEES COINED AND ISSUED

(Reference)

		Coined in Calcutta	Coined in Madras	Coined in Bombay	Total Coined
		Rs.	Rs.	Rs.	Rs.
William IV, 1835	...	10,90,88,070	11,78,000	5,37,12,502	16,39,78,572
Victoria, 1840, 1st issue	...	17,99,34,670	2,18,98,181	10,98,38,073	31,16,70,924
,, 1840, 2nd issue	...	39,85,53,660	5,50,49,201	31,29,58,076	76,65,60,937
,, 1862	...	26,94,27,222	2,94,81,923	40,80,03,034	70,69,12,179
,, 1874	...	1,50,13,834		2,85,08,566	4,35,22,400
,, 1875	...	1,16,31,951		1,93,59,597	3,09,91,548
,, 1876	...	1,20,01,264		2,89,49,037	4,09,50,301
,, 1877	...	3,92,51,692		9,55,54,320	13,48,06,012
,, 1878	...	3,26,57,837		6,39,27,196	9,65,85,033
,, 1879	...	1,59,28,325		7,27,99,904	8,87,28,229
,, 1880	...	1,83,99,894		5,37,85,624	7,21,85,518
,, 1881	...	24,35,719		31,61,858	55,97,577
,, 1882	...	1,50,90,289		5,63,97,278	7,14,87,567
,, 1883	...	51,23,372		1,80,22,789	2,31,46,161
,, 1884	...	1,16,41,757		3,68,46,570	4,84,88,327
,, 1885	...	3,41,52,203		6,48,78,000	9,90,30,203
,, 1886	...	1,08,78,075		4,11,46,457	5,20,24,532
,, 1887	...	4,02,00,148		4,84,00,000	8,86,00,148
,, 1888	...	75,68,000		6,32,00,000	7,07,68,000
,, 1889	...	93,68,310		6,53,00,000	7,46,68,310
,, 1890	...	2,47,41,865		9,29,00,000	11,76,41,865
,, 1891	...	1,46,69,903		4,95,00,000	6,41,69,903
,, 1892	...	3,24,55,120		7,22,00,000	10,46,55,120
,, 1893	...	91,40,310		6,95,90,000	(a) 7,87,30,810
,, 1897	...	4,70,184		10,54,593	(b) 15,24,777
,, 1898	...	12,50,976		62,68,437	(b) 75,19,413
,, 1900	...	5,29,02,591		6,52,36,908	(c) 11,81,39,499
,, 1901	...	3,37,22,243		7,54,18,718	(d) 10,91,35,961
,, 1901 coined in 1902	...	3,82,94,044		5,48,44,740	(e) 9,31,39,384
Edward VII, 1903 coined in 1902	...	25,000			25,000
,, 1903	...	4,93,78,355		5,29,69,151	(f) 10,23,47,506
,, 1904	...	5,83,38,617		10,19,40,291	(g) 16,02,78,908
,, 1905	...	5,12,57,883		7,62,02,223	(h) 12,74,80,106

Note.—From July 1951, the old Calcutta Mint was closed for coinage with the opening of the new Mint at Alipore (Calcutta).

(a) Including Rs. 5,90,000 coined for the Bikaner State. (b) On account of Kashmir and Bhopal re-coining.

(c) Rs. 2,09,02,414 coined for Indian States. (d) Including Rs. 1,90,43,904 coined for Indian States.

(e) Rs. 2,98,86,014 " " " " (f) Rs. 11,66,451 " " " "

(g) Rs. 56,422 " " " " (h) Rs. 3,25,000 " " " "

MENT 94

FROM THE MINTS SINCE 1835

(paragraph III)

	Coined in Calcutta	Coined in Madras	Coined in Bombay	Coined in Lahore	Total Coined
	Rs.	Rs.	Rs.	Rs.	Rs.
Edward VII, 1906	10,47,97,164		15,89,53,269		(j) 26,37,50,433
" " 1907	8,13,38,000		17,09,11,816		(k) 25,22,40,816
" " 1908		2,02,17,728	1,07,14,770		3,09,32,498
" " 1909		1,27,58,580	95,38,746		(l) 2,22,97,326
" " 1910		85,00,000	91,88,673		1,76,88,673
" " 1910 coined in 1911	41,27,013		16,96,273		58,23,286
George V,	42,09,924		51,43,125		94,43,049
" " 1912	4,51,22,132		7,90,67,074		(m) 12,41,89,206
" " 1913	7,58,00,163		8,74,65,788		(n) 16,32,65,951
" " 1914		3,31,00,150	1,52,70,000		4,83,70,150
" " 1915		99,00,139	53,71,979		1,52,72,118
" " 1916		11,50,00,210	9,79,00,000		21,29,00,210
" " 1917		11,32,00,217	15,15,82,659		26,47,82,876
" " 1917 coined in 1918	17,74,025		—		17,74,025
" " 1918	20,13,26,240		21,05,50,363		41,18,76,603
" " 1918 coined in 1919	40,94,006		—		40,94,006
" " 1919	19,68,06,224		22,67,06,054		42,35,12,278
" " 1919 coined in 1920	1,44,00,031		—		1,44,00,031
" " 1920	3,86,00,085		5,59,36,544		9,45,36,629
" " 1920 coined in 1921	64,00,064		—		64,00,064
" " 1920 coined in 1922	5,64,000		—		5,64,000
" " 1920 coined in 1923	49,36,050		—		49,36,050
" " 1921	—		51,15,121		51,15,121
" " 1922	—		20,51,150		20,51,150
George VI,	1938 coined in 1940		98,02,178		98,02,178
" " 1940	—	(o) 2,35,00,002		(o) 2,35,00,002	
" " 1941	—	(o) 24,11,00,001		(o) 24,11,00,001	
" " 1942	—	(o) 23,75,00,001		(o) 23,75,00,001	
" " 1943	—	(o) 6,69,94,637		(o) 6,69,94,637	
" " 1944	—	(o) 15,22,06,000	(o) 8,54,00,000	(o) 23,76,06,000	
" " 1945	—	(o) 13,47,94,000	(o) 9,11,00,000	(o) 22,58,94,000	
" " 1946	—	(o) 78,72,000	(o) 2,70,25,532	(o) 3,48,97,532	
" " 1947	—	(p) 6,07,00,000	(p) 4,19,11,000	(p) 10,26,11,000	
" " 1948	—	(p) 5,74,28,000		(p) 5,74,28,000	
" " 1949	—	(p) 3,61,56,000		(p) 3,61,56,000	
" " 1950	—	(p) 1,80,06,000		(p) 1,80,06,000	
Asoka Pillar,	1950	—	(p) 1,39,00,000		(p) 1,39,00,000
" " 1951	—	(p) 49,28,000		(p) 49,28,000	
Total William IV Standard	10,90,88,070	11,78,000	5,37,12,502		16,39,78,572
" Victoria	133,89,06,058	10,64,29,305	207,80,44,775		352,13,80,138
" Edward VII "	39,07,38,340		59,21,15,212		98,28,53,552
" George V "	86,53,23,660		94,21,59,857		180,74,83,617
" George VI "	—		98,02,178		98,02,178
" George VI Quaternary	—		86,39,66,641	20,35,25,532	106,74,92,178
" George VI Nickel	—		17,22,90,000	4,19,11,000	21,42,01,000
" Asoka Pillar "	—		1,88,28,000		1,88,28,000
TOTAL	... 270,20,56,128	10,76,07,305	473,08,19,165	24,54,36,532	778,60,19,130

(j) Including Rs. 3,90,310 coined for Indian States and Rs. 1,67,00,000 (Calcutta Rs. 32,00,000 and Bombay Rs. 1,35,00,000) coined from silver in Gold Standard Reserve.

(l) Including Rs. 1,01,459 coined for Indian States.

(n) Including Rs. 12,78,441 coined for Indian States.

(p) India nickel rupees.

(k) Including Rs. 94,766 coined for Indian States and Rs. 4,33,00,000 (Calcutta Rs. 1,08,00,000 and Bombay Rs. 2,65,00,000) coined from silver in Gold Standard Reserve.

(m) Including Rs. 16,56,250 coined for Indian States.

(o) Quaternary rupees.

STATEMENT 95

DESCRIPTION OF COINS IN ACTIVE CIRCULATION AT THE END OF MARCH 1952 (Reference paragraph 111)

Denomination	Gross Weight (Grains)	Composition (Proportion of Metals)	Diameter	Edge	Remarks
Standard Silver Quarter Rupee	45	Silver 916·6 per mille and the rest base metal	0·75"	Round Coin	Milled Plain
" " One-eighth Rupee	22·5	"	0·60"	"	
Quaternary Alloy Rupee	180	Silver 50 per cent and the rest base metal	1·2"	"	Milled and security edged
" " Half Rupee	90	"	0·95"	"	"
" " Quarter Rupee	45	"	0·75"	"	"
Pure Nickel Rupee	180	Nickel 100 per cent	1·1"	"	
" " Half Rupee	90	"	0·95"	"	Milled
" " Quarter Rupee	45	"	0·75"	"	"
Cupro-Nickel Four anna	105	75 per cent Copper and 25 per cent Nickel	0·925" Across Flats	Plain	Scalloped Coin
" " Two anna	90	"	1·00"	Corners	Square Coin with round corners
" " Two anna (George V)	90	"	0·88"	Flats	Square Coin with round corners
" " One anna	60	"	0·827"	Corners	Square Coin with round corners
" " Half anna	45	"	0·827"	Flats	Scalloped Coin
Nickel-Brass Two anna	90	79 per cent Copper, 1 per cent Nickel and 20 per cent Zinc	0·7795" Minimum	"	Square coin with round corners
" " One anna	60	"	0·778" Across Diagonal Sides	"	
" " Half anna	45	"	0·684"	"	
Copper Single Piece	100	100 per cent Copper	1·00" Round Coin	"	{ Same as Cupro-Nickel Coins above }
" Half Piece	50	"	0·84"	"	
" Pie Pieces	33·3	"	0·68"	"	
Bronze* Single Piece	75	97 per cent Copper, 2 per cent Zinc and $\frac{1}{2}$ per cent Tin	1·00"	"	{ Same as Cupro-Nickel Coins above }
" "	30	"	0·84"	"	
" "	60	"	0·84"	"	(with a circular hole)
" "	45	"	0·84"	"	Plain
" "	37·5	"	0·84"	"	"
" "	25	"	0·68"	"	"
" "	12·5	"	0·68"	"	"

* The alloy for bronze coin had to be changed during the period of war due to the scarcity of tin. The proportion of this alloy upto February 1936 was 95% copper, 4% tin and 1% zinc; from February 1938 to end of 1942, it was 95·5% copper, 3% tin and zinc 2·5%. It is in the proportion of copper 97%, tin 0·5% and zinc 2·5%.

APPENDIX I

PRESS COMMUNIQUES

New Designs of Rs. 10 and Rs. 100 Notes

It is notified for general information that the Reserve Bank of India will shortly issue Bank notes of the denominations of Rs. 10 and Rs. 100 wherein the value of the notes has been depicted in Hindi letterings in equal prominence with English. The new notes will be as follows :—

Rupees Ten

The new design is very similar to that of the current note, the chief modifications being as follows :—

Front.—Numbering is done in black in two places, one on the bottom right hand corner of the note as at present and the 2nd one on the bottom left hand corner of the note immediately below the blank watermark panel. The small rectangular panel with curved corners in which the letters Rs. appear in white

10

on the current design has been totally omitted. The signature of the Governor of the Reserve Bank of India has been shifted a little more to the bottom of the note on the new design to make room for the value in Hindi which now appears below the value in English in equal prominence and in shaded letters. The tint colours in the centre of the note have been modified, the most noticeable change being the replacement of the Blue, Mauve and Green tints by Mauve, Orange and Light Blue respectively.

Back.—The words Ten Rupees appearing immediately below the blank watermark panel have been replaced by the value in Hindi in large white shaded lettering. On the left the value of the note appears in the various languages in the following order—Bengali, Gujarati, Kannada, Oriya, Tamil, Telugu and Urdu. The present tint colours in the rainbow have been replaced by Orange, Blue Green, Grey, Blue Green and Orange.

Rupees One Hundred

The design of this note again is very similar to that of the current note, the chief modifications being as below :

Front.—The number appears in the new design in black at the bottom left hand corner and at the top right hand corner. The value of the note appears immediately below the value in English in the centre of the note in large white shaded lettering in equal prominence. The main printing is in Blue and the rainbow tints are in Blue Green, Mauve, Olive Green, Mauve and Blue Green. As in the current design the circle of issue is not printed on the note.

Back.—On the left and superimposed on a guilloche appears the value of the note in various languages in the following order : Bengali, Gujarati, Kannada, Oriya, Tamil, Telugu and Urdu. The forest scene appearing in the centre of the note depicting the two elephants has been recast to show a clearer background of trees and has a lotus pond in the fore-ground and in the centre of the latter appears the Reserve Bank seal. At the bottom left hand and right hand corners of the note appears the value in English and Hindi respectively in large white lettering.

**RESERVE BANK OF INDIA,
CENTRAL OFFICE,
BOMBAY, JULY 19, 1951.**

New Designs of Rs. 2 and Rs. 5 Notes

It is notified for general information that the Reserve Bank of India will shortly issue Bank notes of the denominations of Rs. 2 and Rs. 5 wherein the value of the notes has been depicted in Hindi letterings in equal prominence with English. The new notes will be as follows :—

Rupees Two

The new design is very similar to that of the current note, the chief modifications being as follows :—

Front.—The blank panel on the left is an irregularly shaped rectangle with a double line curved and indented border. The rainbow tints are of Olive Green—Orange—Purple, Orange and Blue Green. On both the top right and left hand corners of the note the figure 2 appears in Arabic characters.

Back.—On the left of the note and immediately below the circular panel containing representation of the tiger's head appears the words TWO RUPEES in English and दो रुपया in Hindi in large white shaded letters in a rectangular panel one below the other. Here also as in the case of the front of the note the figure 2 appears in Arabic characters both on the top right and left hand corners of the note. The value of the note appears in the centre of the note in the following order in the various languages.

Bengali, Gujarati, Kannada, Oriya, Tamil, Telugu and Urdu.

Rupees Five

The new design is very similar to that of the current note there being practically no change in the colour scheme of the note. The chief modifications are as follows :—

Front.—The value of the note appears in English as well as in Hindi in the centre below the "Promise to Pay" in large white shaded letterings. The bunch of fruits and leaves appearing in tint in the back-ground of the "Promise to Pay" has been completely deleted with the result that the lettering of the "Promise to Pay" appears more bold and stands out in the design. The number appears in black in a regular panel immediately below the oval panel on the right enclosing the Asoka Pillar representation.

Back.—On the left of the note at the centre appears in a large size the numeral 5 in the body colour of the note against a circular shaded back-ground more or less of the same size as the Reserve Bank of India seal which now appears almost in the centre of the note immediately to the left of the blank watermark panel. The value of the note appears in the following order in the various languages superimposed on a guilloche immediately above the representation of the animal life.

Bengali, Gujarati, Hindi, Kannada, Oriya, Tamil, Telugu and Urdu.

RESERVE BANK OF INDIA,
CENTRAL OFFICE,
BOMBAY, OCTOBER 22, 1951.

New Design of One Rupee Notes

New design One Rupee Government of India Currency Notes will be issued from the offices of the Reserve Bank of India from January 25, 1952. The most important modifications are the pictorial representation of the One Rupee Coins and equal prominence given to Hindi and English in depicting the value of the Note. For the information of the public a brief description of the new Notes is given below :—

Size.—4" long × 2½" wide.

Paper.—Mould made. Thickness 3½ to 4 thousands of an inch. The paper bears relief watermark of the Asoka Pillar which appears within the watermark "window" of the note.

Design :—

Front.—On the top right hand corner appears the obverse of the 1951 Asoka Pillar Rupee Coin in a rich grey colour supported and crowned by Scrolls. On the left is a clear unprinted window to show the watermark surrounded by a simple frame which encloses a Scroll device above and a lotus border below. A panel containing the heading "GOVERNMENT OF INDIA" in bold shaded lettering connects the top of this frame with the rupee coin and the whole design is enclosed within a border of geometrical tracery in the same grey colour. The value ONE

एक

RUPEE in English and Hindi in equal prominence appears in the centre of the रुपया

note over a security guilloche in pale green and dark brown. The figure 1 appears also in the right and left hand top corners of the note. The whole design is overprinted with an intricate interlaced rainbow pattern in blue-green, orange, green, blue and purple. The value ONE RUPEE appears faintly in this rainbow at the

एक रुपया

right hand bottom corner of the note. The serial number of the note which is printed in black in the same style as that appearing on the Reserve Bank of India Notes appears prominently over the words ONE RUPEE in the above panel while the signature of Shri K. G. Ambegaokar, Secretary, Ministry of Finance, in grey appears over the words एक रुपया. The new issue commences with the serial prefix A/O.

Back.—In the left hand top corner appears the reverse of the 1951 Asoka Pillar Rupee Coin in the same grey colour as on the front supported by a leaf scroll work of two panels containing the value एक and ONE in Hindi रुपया RUPEE

and English respectively in equal prominence one below the other. On the right is the clear watermark window in a simple frame. In the centre of the note below the heading "GOVERNMENT OF INDIA" in bold clear lettering appears the value in words in Bengali, Gujarati, Kannada, Oriya, Tamil, Telugu and Urdu all in the same grey colour. The figure 1 appears also in the right and left hand top corners of the note. The whole design is contained within a border of grey geometrical tracery and is overprinted with a rainbow of fine work in blue, orange-brown and green.

MINISTRY OF FINANCE,
NEW DELHI, JANUARY 21, 1952.

APPENDIX II

Approved Non-Scheduled Banks and Indigenous Bankers Eligible for Concessional Rates of Remittances under the Reserve Bank's Scheme for Remittances as on March 31, 1952

I. Non-Scheduled Banks

1. Agricultural and Industrial Bank Ltd., Coondapur.
2. Amrit Bank Ltd., Amritsar.
3. Bank of Aundh Ltd., Aundh.
4. Bank of Chittoor Ltd., Chittoor.
5. Bank of Citizens Ltd., Belgaum.
6. Bank of Karad Ltd., Karad.
7. Bank of Konkan Ltd., Malvan.
8. Bank of the East (1927) Ltd., Gauhati.
9. Banthia Bank Ltd., Panvel.
10. Bareilly Bank Ltd., Bareilly.
11. Bharat Banking Co. Ltd., Silchar.
12. Bharat Industrial Bank Ltd., Poona.
13. Bishnupur Bank Ltd., Bishnupur.
14. Central Mercantile Bank Ltd., Monghyr.
15. Chawla Bank Ltd., Bannu.
16. Chotanagpur Banking Association Ltd., Hazaribagh.
17. Cochin Commercial Bank Ltd., Cochin.
18. Commonwealth Bank Ltd., Kumbakonam.
19. Dass Bank Ltd., Calcutta.
20. Frontier Bank Ltd., Dera Ismail Khan.
21. Gauhati Bank Ltd., Gauhati.
22. Himalya Bank Ltd., Kangra.
23. Hira Bullion Bank Ltd., Meerut.
24. India's Ideal Banking Corporation Ltd., Bangalore.
25. Indian National Bank Ltd., Calcutta.
26. Jaya Laxmi Bank Ltd., Mangalore.
27. Kannika Bank Ltd., Madras.
28. Karnataka Bank Ltd., Mangalore.
29. Kotagiri Bank Ltd., Kotagiri.
30. Kulitalai Bank Ltd., Tiruchirapalli.
31. Lakshmi Bank Ltd., Karur.
32. Luxmi Industrial Bank Ltd., Calcutta.
33. Maharashtra Apex Bank Ltd., Udipi.
34. Mannargudi Bank Ltd., Mannargudi.
35. Melarkode Bank Ltd., Palghat.

- 36.** Naini Tal Bank Ltd., Naini Tal.
- 37.** National Bank of Sialkot Ltd., Amritsar.
- 38.** Pollachi Union Bank Ltd., Pollachi.
- 39.** Punjab and Kashmir Bank Ltd., Ludhiana.
- 40.** Rajapalaiyam Commercial Bank Ltd., Rajapalaiyam.
- 41.** Rayalaseema Bank Ltd., Bellary.
- 42.** Reliance Bank of India Ltd., Madras.
- 43.** Safe Bank Ltd., Nagpur City.
- 44.** Sahukara Bank Ltd., Ludhiana.
- 45.** Salem Bank Ltd., Salem.
- 46.** Satara Swadeshi Commercial Bank Ltd., Satara City.
- 47.** Shillong Banking Corporation Ltd., Shillong.
- 48.** Sind National Bank Ltd., Hyderabad (Sind).
- 49.** Southern India Apex Bank Ltd., Udupi.
- 50.** Sri Mayuram Bank Ltd., Mayuram.
- 51.** Supreme Bank of India Ltd., Belgaum.
- 52.** Surat Banking Corporation Ltd., Surat.
- 53.** Surma Valley Bank Ltd., Sylhet.
- 54.** Sylhet Commercial Bank Ltd., Shillong.
- 55.** Tennur Bank Ltd., Tiruchirapalli.
- 56.** Tezpur Industrial Bank Ltd., Tezpur.
- 57.** Union Bank of Bengal Ltd., Calcutta.
- 58.** Union Bank of Bijapur and Sholapur Ltd., Bijapur.
- 59.** United Bank of Karnataka Ltd., Bagalkot.
- 60.** Vijaya Bank Ltd., Mangalore.

II. Indigenous Bankers

- 1.** Messrs. Balakram Dwarkadas, Simla.
- 2.** Messrs. Bhaulal Bankers, Shahjahanpur.
- 3.** Messrs. Durgasah Mohanlalsah, Ranikhet.
- 4.** Messrs. Moolchand Ramprasad, Banda.
- 5.** Mr. Ranchodbhai Bhaichandbhai Sura, Bombay.
- 6.** Messrs. S. S. Dhanayakumar Dharamdas & Co., Katni.
- 7.** Union Banking Service, Chiplun.

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4. Periodicals, Rare and Reference books may not be issued and may be consulted only in the Library.
5. Books lost, defaced or injured in any way shall have to be replaced or its double price shall be paid by the borrower.

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